

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

ANNUAL FINANCIAL REPORT AND  
SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2020

FILED  
06/11/2021

*Reissued on September 24,  
2021, to correct the Financial  
Statements, Notes to Financial  
Statements, Management's  
Discussion and Analysis and  
related reports.*

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

ANNUAL FINANCIAL REPORT  
For the Year ended June 30, 2020

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**INDEPENDENT AUDITOR'S REPORT**

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT  
OF WAYNE TOWNSHIP, MARION COUNTY, INDIANA

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the Metropolitan School District of Wayne Township (School Corporation), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School Corporation'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 the financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the School Corporation, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and 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 the Management's Discussion and Analysis, Schedule of the School's Proportionate Share of the Net Pension Liability Public Employees' Retirement Fund, Schedules of School Contributions Public Employees' Retirement Fund, Schedule of the School's Proportionate Share of the Net Pension Liability Teachers' Retirement Fund, Schedules of School Contributions Teachers' Retirement Fund, Schedule of Net OPEB Liability, Schedule of Changes in Net OPEB Liability, Schedule of Employer Contributions, Schedule of Employer's Share of Nonemployer Contributing Entity Contributions, Non-GAAP Budgetary Comparison Schedule Education Fund, Non-GAAP Budgetary Comparison Schedule Operations Fund, Non-GAAP Budgetary Comparison Schedule Referendum - 2015, and Budget/GAAP Reconciliation, as listed in the Table of Contents, 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. Although our opinion on the basic financial statements is not affected, condensed financial information from the prior year's government-wide financial statements is not presented in the Management's Discussion and Analysis, which is a material departure from the prescribed guidelines. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*


Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Corporation's basic financial statements. The accompanying Combining Balance Sheet Nonmajor Governmental Funds, Combining Statements of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds, Combining Balance Sheet Nonmajor Governmental Funds Special Revenue Funds, Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds Special Revenue Funds, Combining Balance Sheet Nonmajor Governmental Funds Debt Service Funds, Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds Debt Service Funds, Combining Balance Sheet Nonmajor Governmental Funds Capital Projects Funds, Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds Capital Projects Funds, Combining Statement of Fiduciary Net Position, and Combining Statement of Changes in Fiduciary Net Position are presented for purposes of additional analysis and are not a required part of the basic financial statements.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

The Combining Balance Sheet Nonmajor Governmental Funds, Combining Statements of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds, Combining Balance Sheet Nonmajor Governmental Funds Special Revenue Funds, Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds Special Revenue Funds, Combining Balance Sheet Nonmajor Governmental Funds Debt Service Funds, Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds Debt Service Funds, Combining Balance Sheet Nonmajor Governmental Funds Capital Projects Funds, Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds Capital Projects Funds, Combining Statement of Fiduciary Net Position, and Combining Statement of Changes in Fiduciary Net Position are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2021, on our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

  
Paul D. Joyce, CPA  
State Examiner

May 19, 2021, except for the Aggregate Discretely Presented Component Unit and Remaining Fund Information, for which the date is September 21, 2021

## Management's Discussion and Analysis

As management of Metropolitan School District of Wayne Township, Indiana ("MSD Wayne Township"), we offer readers of MSD Wayne Township's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2020. 2020 is the first year MSD Wayne Township is presenting a Management Discussion and Analysis. As such, comparisons to prior year data may not be available. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

### Financial Highlights

- Total assets and deferred outflows of MSD Wayne Township exceeded its total liabilities and deferred inflows by \$54,450 (reported as net position). Of this amount \$(21,434) was reported as "unrestricted net position."
- As of the close of the current fiscal year, MSD Wayne Township's governmental funds reported a combined ending fund balance of \$79,338.
- At the end of the current fiscal year, the fund balance for the Operations Fund was \$4,944 which represented 17.47% of total operations fund expenditures, excluding transfers out.
- MSD Wayne Township's total bond and loan related debt as of June 30, 2020 is \$248,377.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of MSD Wayne Township's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all MSD Wayne Township's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of MSD Wayne Township is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of MSD Wayne Township that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of MSD Wayne Township include instruction, support services, community services, and facilities acquisition and construction.

The government-wide financial statements can be found on pages 1-3 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. MSD Wayne Township, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of MSD Wayne Township can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

MSD Wayne Township maintains 47 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the Education Fund, Referendum-Operations Fund, Debt Service Fund, Operations Fund, 2020 First Mortgage Fund and Building Corporation Debt Service Fund, which are considered to be major funds. Data for the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the report. MSD Wayne Township adopts an annual appropriated budget for its operations, educational, and debt service funds. Budgetary comparison schedules have been provided for the major special revenue funds in the required supplementary information and for the other funds subsequent to the combining non-major fund information, as other information, to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 4-6 of this report.

**Proprietary funds.** MSD Wayne Township maintains two proprietary funds for internal services. Internal service funds are an accounting device used to accumulate and allocate costs internally among MSD Wayne Township's various functions. MSD Wayne Township uses the internal service fund to account for medical and liability insurance. Because these services benefit the governmental-type functions, they have been included within the governmental activities on the Statement of Net Position in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 7-9 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those are not available to support MSD Wayne Township's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 10-11 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 12-58 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning MSD Wayne Township's budgets for its major funds as well as a reconciliation between the budget schedules and fund financial statements. Since MSD Wayne Township budgets on a calendar year basis and reports on fiscal year ending June 30<sup>th</sup> basis, there is a timing exception. In addition, MSD Wayne Township's progress in funding its obligation to provide pension and other post-employment benefits to certain employees is included as supplementary information. Required supplementary information can be found on pages 59-74 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on budgets. Combining and individual fund statements and schedules can be found pages on 75-101 of this report.

### Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of government's financial position. For MSD Wayne Township, total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$54,450 at the close of the most recent fiscal year.

A total of \$(3,588) (-6.59%) of MSD Wayne Township's net position reflects the investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding. MSD Wayne Township uses these capital assets to provide services; consequently, these assets are not available for future spending. Although MSD Wayne Township's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table reflects the condensed statement of MSD Wayne Township's net position:

#### Metropolitan School District of Wayne Township Net Position as of June 30, 2020

	Governmental- Type Activities 2020
Current and Other Assets	\$ 133,885
Capital Assets	208,679
Total Assets	342,564
Deferred Outflow of Resources	13,701
Long-term Liabilities Outstanding	267,626
Other Liabilities	15,906
Total Liabilities	283,532
Deferred Inflow of Resources	18,283
Net Investment in Capital Assets	(3,588)
Restricted	79,472
Unrestricted	(21,434)
Total Net Position	\$ 54,450

A portion of MSD Wayne Township's net position, \$79,472 (145.95%), represents resources that are subject to external restrictions on how they may be used. A negative balance for unrestricted net position

is more common for units of government like the School that utilize pay as you go policies for long-term debt, pensions and other post-employment benefits rather than accumulating assets in advance.

At the end of the current fiscal year, MSD Wayne Township reported a positive balance in net position. The following table provides a summary of changes in net position for MSD Wayne Township.

**Metropolitan School District of Wayne Township – Changes in Net Position**

Description	Governmental Activities 2020
Revenues:	
Program Revenues:	
Charges for Services	\$ 9,438
Operating Grants and Contributions	29,977
General Revenues:	
Taxes:	
Property	58,586
Other	5,092
State Aid	124,028
Other	16,128
Total Revenues	<u>243,249</u>
Expenses:	
Instruction	111,906
Support Services	56,053
Community Services	15,144
Facilities Acquisition and Construction	15,749
Interest on Long Term Debt	5,996
Nonprogrammed Charges	16,643
Total Expenses	<u>221,491</u>
Changes in Net Position	21,758
Net Position - beginning of year	<u>32,692</u>
Net Position - End of Year	<u><u>\$ 54,450</u></u>

Description	Governmental Activities 2020
Revenues:	
Program Revenues:	
Charges for Services	\$ 9,438
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General Revenues:	
Taxes:	
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State Aid	124,028
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Total Revenues	<u>243,249</u>
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Instruction	111,906
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Community Services	15,144
Facilities Acquisition and Construction	15,749
Interest on Long Term Debt	5,996
Nonprogrammed Charges	16,643
Total Expenses	<u>221,491</u>
Changes in Net Position	21,758
Net Position - beginning of year	<u>32,692</u>
Net Position - End of Year	<u><u>\$ 54,450</u></u>

MSD Wayne Township's net position from governmental activities was \$54,450 as of June 30, 2020. Notable governmental activities revenue and expense for the fiscal year ended June 30, 2020 included the following:

- Charges for services reported a total amount of \$9,438 for student fees, textbook rental fees, transfer tuition, childcare, vocation education and joint school fees.
- Operating grants and contributions reported a total amount of \$29,977 from a variety of sources including adult education, special education, and school lunch.
- Property tax revenues were \$58,586. These revenues were generated by MSD Wayne Township's tax rate applied to the assessed value of the School Corporation.
- Other taxes reported a total of \$5,092
- State Aid \$124,028.
- Expenses from instruction were \$111,906.
- Support services expenses reported a total amount of \$56,053.
- Community services expenses reported a total amount of \$15,144.
- Expenses for facilities acquisition and construction were \$15,749.

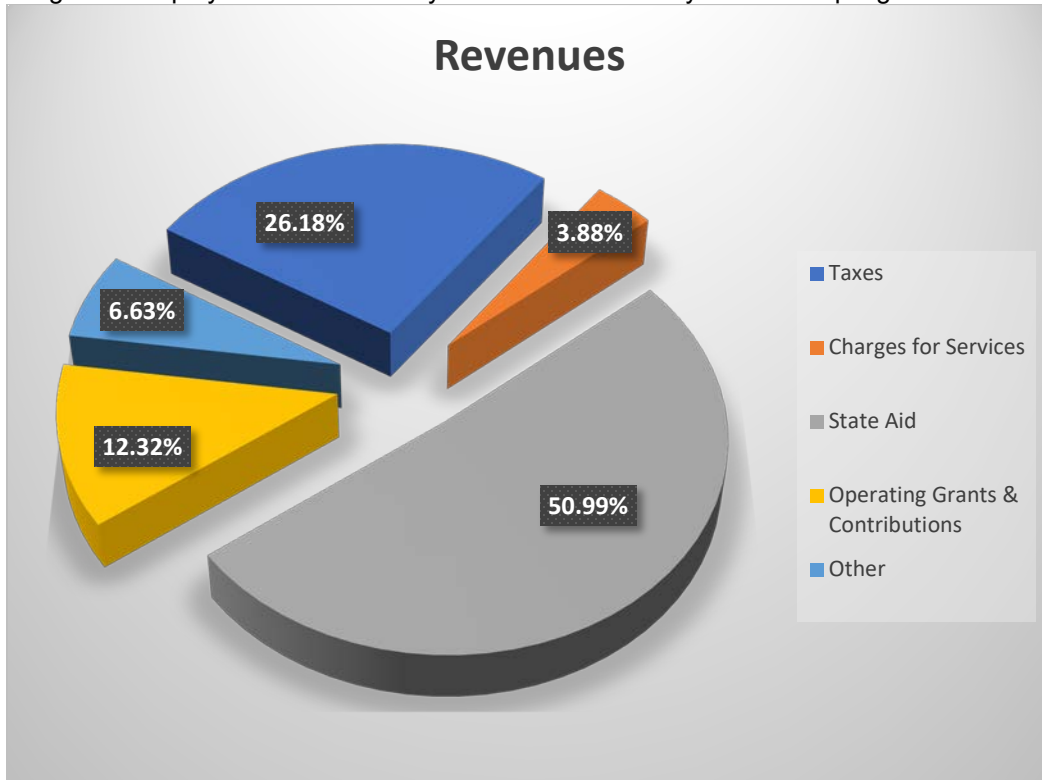
MSD Wayne Township's overall cash and cash equivalents are \$91,853. MSD Wayne Township's property tax rate for 2020 is \$2.3029. The rate was \$1.8816 for 2019 (per \$100 of assessed value).

The Property tax rate increased \$.4213 primarily due to an incremental increase of \$.35 to the operating referendum.

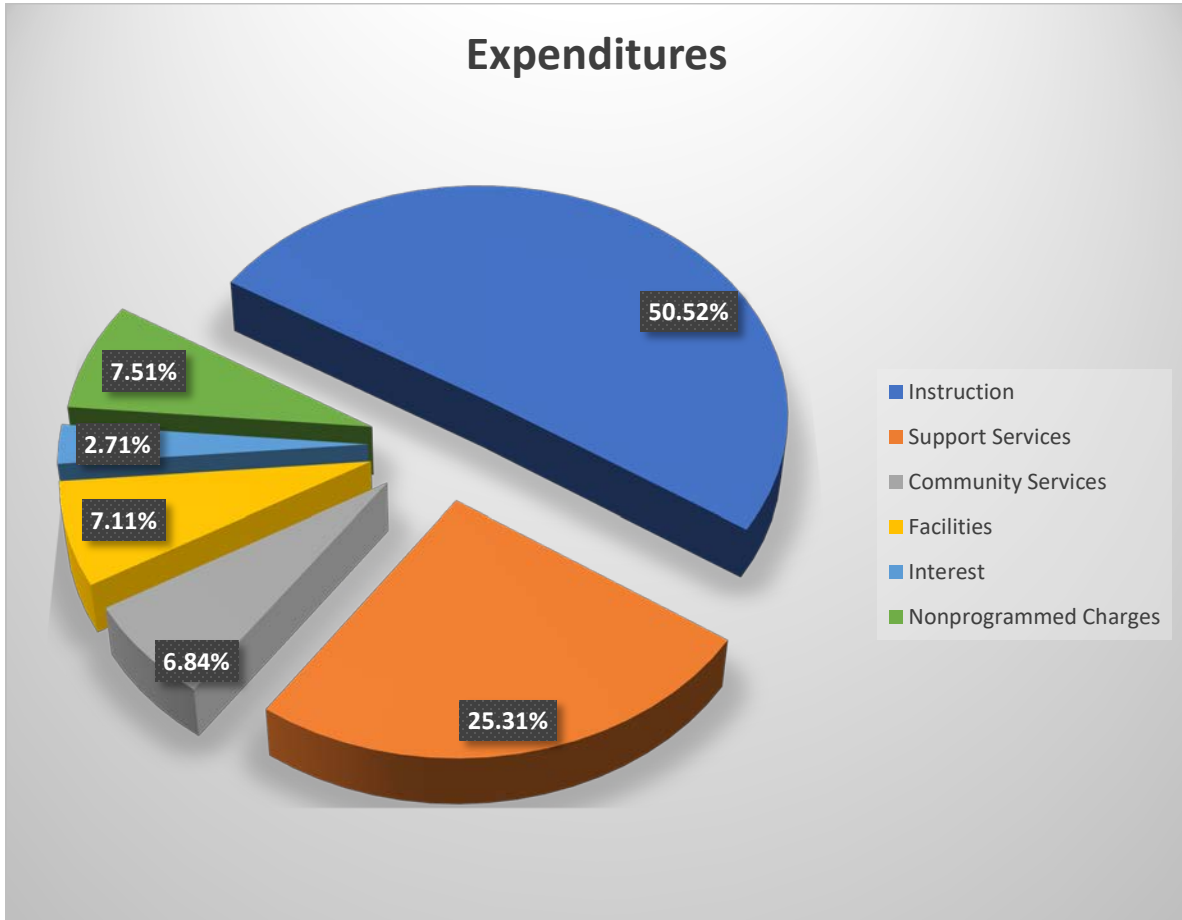
### Program Revenue and Expenses – Governmental Activities

State Aid was MSD Wayne Township’s major source of revenue supporting its activities. Other sources of revenue consisted primarily of grants and contributions not restricted to specific programs, investment income, and miscellaneous revenue.

The following chart displays the Revenues by Source for MSD Wayne Township’s governmental activities:



Instruction was the major source of expenses for the fiscal year ended June 30, 2020. In addition to instruction, the school corporation incurred costs for support services, community service, facility acquisition and construction, interest on debt and other nonprogrammed charges. The following chart illustrates the fiscal year spending of the governmental funds.



### Financial Analysis of the Government's Funds

As noted earlier, MSD Wayne Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of MSD Wayne Township's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing MSD Wayne Township's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, MSD Wayne Township's governmental funds reported combined ending fund balances of \$79,338. Fund balances are the differences between assets and liabilities in a governmental fund. MSD Wayne Township implemented GASB 54, "Fund Balance Reporting and Governmental Fund Type Definitions". The standard includes five classifications: nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

Nonspendable fund balance includes amounts that are not in spendable form or amounts that are required to be maintained intact.

Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external providers, such as grant providers or bondholders, as well as amounts that are restricted constitutionally or through legislation.

Committed fund balance includes amounts that can be used only for the specific purposes that are determined by a formal action of the government's highest level of decision-making authority.

Assigned fund balance applies to amounts that are intended for specific purposes as expressed by governing body or authorized official and applies to remaining resources in any governmental fund other than the general fund.

Unassigned fund balances include all amounts not contained in other classifications for the general fund and deficit fund balances in any other governmental fund.

As of the end of the current fiscal year, MSD Wayne Township's governmental funds reported combined ending fund balances of \$79,338. The fund balance has restricted fund balance of \$81,159 and committed fund balance of \$1,305.

The Operations Fund is the chief operating fund of MSD Wayne Township. The fund balance of MSD Wayne Township's Operations Fund is \$4,944 as of June 30, 2020. Key factors are as follows:

- Expenditures exceeded revenues by \$17,226, excluding other financing sources and uses.
- Major sources of revenue include local sources of \$10,987 which includes property and excise taxes received.
- Major expenditures include support services of \$25,726 for busing, maintenance, benefit administration and community relations.

The Education Fund is a major fund for the current fiscal year. The fund balance for this major fund is \$(2,158). The major source of revenue was state sources in the amount of \$124,514. The expenditures include instruction of \$90,835, and support services of \$17,496.

The Referendum-Operations Fund is considered a major fund for the current fiscal year. The fund balance for this fund is \$14,294. The source of revenue for this fund was local sources in the amount of \$10,905. The majority of expenditures from this fund were used for support services in the amount of \$4,994.

The Debt Service Fund is reported as a major fund at June 30, 2020. The fund balance for this fund is \$3,047. The source of revenue was local sources, consisting primarily of property taxes, in the amount of \$24,711. The expenditures from this fund were related to payment of debt obligations in the amount of \$1,604.

The 2020 First Mortgage Fund is a major fund at June 30, 2020 with a reported fund balance of \$15,118. The fund did not report any revenue but reported \$16,060 in transfers from the Education Fund. The fund reported \$942 in expenditures related to facilities acquisition and construction.

The Building Corporation Debt Service Fund was also reported as a major fund with a fund balance of \$16,151. Revenue in the amount of \$151 was received from other sources, and \$26,491 was received from transfers from the Debt Service Fund. The majority of expenditures from this fund were related to the payment of debt obligations in the amount of \$21,775.

## Budgetary Highlights

The Metropolitan School District School Board submits a budget to allow for the continued operation of the school corporation. There were several assumptions used at the time of budget development, but when the actual budget information becomes available in January from the Department of Local Government Finance, MSD Wayne Township adjusts the budget accordingly. The MSD Wayne Township budget is prepared on a calendar year basis.

## Capital Asset and Debt Administration

**Capital assets.** MSD Wayne Township's investment in capital assets for its governmental activities as of June 30, 2020 are \$208,679 (net of accumulated depreciation). This investment in capital assets includes, land, construction in progress buildings, machinery and equipment.

Major capital asset events during the current fiscal year included the following:

- Additions of capital assets during 2020 included buildings of \$6,394 and machinery and equipment of \$3,137.
- The four largest additions to capital assets were the Ben Davis Roof Project, the Ben Davis Paint project, WLE, N.WE paint, and wall coverings and the school bus leases.

The following table displays MSD Wayne Township's capital assets.

### MSD Wayne Township Capital Assets as of June 30,

Description	Governmental-Type Activities	
	2020	2019
Land	\$ 98	\$ 98
Construction in Progress	2,463	-
Buildings	395,085	388,691
Improvements other than buildings	24,066	24,243
Machinery and Equipment	36,706	33,965
Total Capital Assets	458,418	446,997
Accumulated Depreciation	(249,739)	(236,938)
Net Capital Assets	<u>\$ 208,679</u>	<u>\$ 210,059</u>

Description	Governmental-Type Activities	
	2020	2019
General Obligation, net of premium	\$ 242,154	\$ 227,383
Loans Payable	4,915	6,370
Leases Payable	1,308	1,768
Net Pension Liabilities	18,870	22,004
Total	<u>\$ 267,247</u>	<u>\$ 257,525</u>

**Long-term debt.** As of June 30, 2020, MSD Wayne Township had outstanding long-term debt of \$267,247. The detail of MSD Wayne Township's long-term debt is as follows:

**MSD Wayne Township Long-term Debt as of June 30,**

Description	Governmental-Type Activities	
	2020	2019
General Obligation, net of premium	\$ 242,154	\$ 227,383
Loans Payable	4,915	6,370
Leases Payable	1,308	1,768
Net Pension Liabilities	18,870	22,004
Total	\$ 267,247	\$ 257,525

Overall, MSD Wayne Township's total long-term debt increased during the current fiscal year due to the issuance of general obligation bonds.

The School Corporation maintains a long-term rating of "A" on its outstanding general obligation bonds and building corporation first mortgage lease rental bonds (which are rated as a general obligation security) assigned by S&P Global Ratings.

MSD Wayne Township recognized a Net Pension Liability in 2020 of \$18,870. Additional information on the pension plans can be found in the Notes to the Financial Statements included elsewhere in this report.

Additional information of MSD Wayne Township's long-term debt can be found in the Notes to the Financial Statements included elsewhere in this report.

**Economic Factors and Next Year's Budget and Rates**

- The School Corporation's assessed value increased by \$177,824 from \$2,765,291 in 2019 to \$2,943,114 in 2020. The School Corporation received an increase in growth quotient of 4.2%. This increase will help support expenses for the operations fund.
- Property tax and the Basic Tuition Support is the School Corporations largest source of revenue. These funds are used for education expenses as well as operating expenses. The school corporation received \$124,028 for the Basic Grant.
- State-wide property tax caps (based upon a percent of gross AV by property class) became effective in 2009. For the 2019 budget year, the loss to the School Corporation due to the caps is \$12,296. 2020 expected losses of revenue due to circuit breaker is \$14,261. Expenditure restraints and revenue diversification have been used to offset this loss. Go to [https://www.in.gov/dlgr/files/2020\\_CircuitBreaker\\_Marion.pdf](https://www.in.gov/dlgr/files/2020_CircuitBreaker_Marion.pdf).

All the above factors were considered in preparing the School Corporations budget for the 2020 calendar year.

The School Corporation recognizes likely economic impacts from the Corona Virus. These impacts will affect, at a minimum the following areas:

- Investment valuations and likely decreases to investment income
- Declines in revenues such as fee based programs
- Increase in demand for services as a result of increased unemployment
- Remote learning
- Additional investment in Personal Protection equipment
- Changes to extra-curricular activities

**Request for Information**

This financial report is designed to provide a general overview of MSD Wayne Township's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the MSD Wayne Township Barry Gardner, CFO, 1220 South High School Road, Indianapolis, IN 46241.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## STATEMENT OF NET POSITION

June 30, 2020

	Primary Government	Component Units
	Governmental Activities	Wayne Township Education Foundation
<b>ASSETS</b>		
Cash and cash equivalents	\$ 91,853,394	\$ 34,891
Receivables (net)		
Taxes receivable	30,906,463	-
Intergovernmental receivable	2,397,902	-
Accounts	5,633	1,015
Prepays	929,459	-
Capital Assets		
Land and construction in progress	2,561,347	-
Other capital assets, net of depreciation	206,117,352	-
Net pension asset	2,988,125	-
Net OPEB asset	4,804,650	-
Beneficial interest in Central Indiana Community Foundation	-	1,703,697
Total Assets	342,564,325	1,739,603
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension related amounts	12,703,567	-
OPEB related amounts	997,671	-
Total Deferred Outflows of Resources	13,701,238	-

*The Notes to the Financial Statements are an integral part of this statement.*

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

STATEMENT OF NET POSITION

June 30, 2020

	Primary Government	Component Units
	Governmental Activities	Wayne Township Education Foundation
<b>LIABILITIES</b>		
Accounts payable	\$ 3,249,521	\$ 188
Accrued wages and payroll withholdings	7,718,034	-
Interest payable	3,915,451	-
Claims payable	1,023,285	-
Noncurrent Liabilities		-
Bonds payable due within one year	21,870,000	-
Loans payable due within one year	748,333	-
Leases payable due within one year	555,683	-
Compensated absences	379,020	-
Long-term Liabilities		
Bond payable due in more than one year (net of premiums)	220,284,106	-
Leases payable due in more than one year	751,844	-
Loans payable due in more than one year	4,166,667	-
Net pension liability	18,869,931	-
Total Liabilities	<u>283,531,875</u>	<u>188</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension related amounts	18,283,483	-
Total Deferred Inflows of Resources	<u>18,283,483</u>	<u>-</u>
<b>NET POSITION</b>		
Net investment in capital assets	(3,587,853)	-
Restricted for:		
Instruction	7,825,083	-
Support Services	26,960,015	-
Debt service	19,199,743	-
Building acquisition	25,487,427	-
General use	-	16,394
Board designated	-	1,333,483
Donor restricted	-	389,538
Unrestricted	<u>(21,434,210)</u>	<u>-</u>
<b>TOTAL NET POSITION</b>	<u>\$ 54,450,205</u>	<u>\$ 1,739,415</u>

*The Notes to the Financial Statements are an integral part of this statement.*

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Primary	Component Unit
				Governmental Activities	Wayne Township Education Foundation
<b>Governmental Activities</b>					
Instruction	\$ 111,906,394	\$ 8,165,562	\$ 18,742,415	\$ (84,998,417)	\$ -
Support services	56,052,462	338,093	10,742,771	(44,971,598)	-
Community services	15,144,310	907,803	491,925	(13,744,582)	-
Facilities acquisition and construction	15,748,745	-	-	(15,748,745)	-
Interest on long term debt	5,996,358	-	-	(5,996,358)	-
Nonprogrammed charges	16,642,965	26,850	-	(16,616,115)	-
<b>Total Governmental Activities</b>	<b>\$ 221,491,234</b>	<b>\$ 9,438,308</b>	<b>\$ 29,977,111</b>	<b>(182,075,815)</b>	<b>-</b>
<b>Component Units</b>					
Wayne Township Education Foundation	\$ 221,463	\$ -	\$ 185,214	-	(36,249)
<b>General Revenues</b>					
Property taxes				58,586,273	-
Other taxes				5,091,989	-
State aid				124,028,092	-
Investment income				674,219	-
Miscellaneous				4,297,236	-
Contributions				11,156,366	-
<b>Total General Revenues and Transfers</b>				<b>203,834,175</b>	<b>-</b>
<b>Change in Net Position</b>				<b>21,758,360</b>	<b>(36,249)</b>
NET POSITION - Beginning of Year				32,691,845	1,775,664
<b>NET POSITION - END OF YEAR</b>				<b>\$ 54,450,205</b>	<b>\$ 1,739,415</b>

*The Notes to the Financial Statements are an integral part of this statement.*

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

STATEMENT OF NET POSITION  
GOVERNMENTAL FUNDS  
June 30, 2020

	Referendum -				2020 First Mortgage	Building Corporation Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
	Operations Fund	Operations	Debt Service	Education Fund				
<b>ASSETS</b>								
Cash and investments	\$ 8,310,183	\$ 14,314,630	\$ 3,046,911	\$ 1,458,864	\$ 15,118,319	\$ 13,166,303	\$ 32,249,976	\$ 87,665,186
Receivables								
Taxes	3,888,758	12,118,545	14,899,160	-	-	-	-	30,906,463
Intergovernmental	-	-	-	-	-	-	2,397,902	2,397,902
Accounts	4,666	-	-	967	-	-	-	5,633
Due from other funds	-	-	-	1,992,077	-	2,984,685	4,400,127	9,376,889
<b>TOTAL ASSETS</b>	<u>12,203,607</u>	<u>26,433,175</u>	<u>17,946,071</u>	<u>3,451,908</u>	<u>15,118,319</u>	<u>16,150,988</u>	<u>39,048,005</u>	<u>130,352,073</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
<b>Liabilities</b>								
Accounts payable	2,639,683	21,116	-	37,838	-	-	337,945	3,036,582
Accrued wages and payroll withholding	730,163	-	-	5,567,737	-	-	1,390,887	7,688,787
Compensated absences	893	-	-	4,395	-	-	-	5,288
Advances from other funds	-	-	-	-	-	-	9,376,888	9,376,888
Total Liabilities	<u>3,370,739</u>	<u>21,116</u>	<u>-</u>	<u>5,609,970</u>	<u>-</u>	<u>-</u>	<u>11,105,720</u>	<u>20,107,545</u>
<b>Deferred Inflows of Resources</b>								
Unavailable revenues	3,888,758	12,118,545	14,899,160	-	-	-	-	30,906,463
Total Deferred Inflows of Resources	<u>3,888,758</u>	<u>12,118,545</u>	<u>14,899,160</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,906,463</u>
<b>Fund Balances</b>								
Restricted	4,944,110	14,293,514	3,046,911	-	15,118,319	16,150,988	27,605,917	81,159,759
Committed	-	-	-	-	-	-	1,305,072	1,305,072
Unassigned (deficit)	-	-	-	(2,158,062)	-	-	(968,704)	(3,126,766)
Total Fund Balances (Deficit)	<u>4,944,110</u>	<u>14,293,514</u>	<u>3,046,911</u>	<u>(2,158,062)</u>	<u>15,118,319</u>	<u>16,150,988</u>	<u>27,942,285</u>	<u>79,338,065</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 12,203,607</u>	<u>\$ 26,433,175</u>	<u>\$ 17,946,071</u>	<u>\$ 3,451,908</u>	<u>\$ 15,118,319</u>	<u>\$ 16,150,988</u>	<u>\$ 39,048,005</u>	
Amounts reported for governmental activities in the statement of net position are different because:								
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the fund statements. See Note IV.D.								208,678,699
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position								2,922,737
Other liabilities, compensated absences and accrued interest payable, are not due and payable in the current period and, therefore, are not reported in the funds statements.								(373,733)
Compensated absences								(373,733)
Some receivables that are not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide statements.								929,459
Prepaid expenses								30,906,463
Unavailable revenue								30,906,463
Some assets, not received in the current period, and therefore, are not reported in the fund financial statements								4,804,650
Net OPEB Asset								2,988,125
Net Pension Asset								2,988,125
Deferred outflows and deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.								12,703,567
Deferred outflows - pensions								997,671
Deferred outflows - OPEB								(18,283,483)
Deferred inflows - pensions								(18,283,483)
Investment in joint venture is not a financial resource and, therefore, is not reported in the fund financial statements.								
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the fund financial statements. See Note III.E.								(18,869,931)
Net pension liability								(18,869,931)
Interest payable								(3,915,451)
Loans payable								(4,915,000)
Leases payable								(1,307,527)
Bonds payable								(242,154,106)
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>								<u>\$ 54,450,205</u>

*The Notes to the Financial Statements are an integral part of this statement.*

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2020

	Operations Fund	Referendum - Operations	Debt Service	Education Fund	2020 First Mortgage	Building Corporation Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>								
Local sources	\$ 10,987,891	\$ 10,904,658	\$ 24,710,577	\$ 764,233	\$ -	\$ -	\$ 16,807,472	\$ 64,174,831
State sources	-	-	-	124,514,206	-	-	4,572,197	129,086,403
Federal sources	-	-	-	210,895	-	-	24,473,949	24,684,844
Other	84,213	-	-	-	-	151,174	64,898	300,285
Total Revenues	<u>11,072,104</u>	<u>10,904,658</u>	<u>24,710,577</u>	<u>125,489,334</u>	<u>-</u>	<u>151,174</u>	<u>45,918,516</u>	<u>218,246,363</u>
<b>EXPENDITURES</b>								
Current								
Instruction	-	-	-	90,835,010	-	-	20,952,110	111,787,120
Support services	25,726,497	4,993,631	-	17,496,071	-	-	8,290,874	56,507,073
Community services	44,494	-	-	1,081,431	-	-	12,738,706	13,864,631
Facilities acquisition and construction	1,095,628	476,744	-	-	941,681	-	13,234,691	15,748,744
Nonprogrammed charges	-	-	-	321	-	16,888	2,821,891	2,839,100
Debt service								
Principal paid on debt	1,388,508	-	1,455,003	-	-	13,015,000	-	15,858,511
Interest on debt	42,758	-	148,838	-	-	8,760,500	-	8,952,096
Total Expenditures	<u>28,297,885</u>	<u>5,470,375</u>	<u>1,603,841</u>	<u>109,412,833</u>	<u>941,681</u>	<u>21,792,388</u>	<u>58,038,272</u>	<u>225,557,275</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(17,225,781)</u>	<u>5,434,283</u>	<u>23,106,736</u>	<u>16,076,501</u>	<u>(941,681)</u>	<u>(21,641,214)</u>	<u>(12,119,756)</u>	<u>(7,310,912)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Debt proceeds	-	-	-	-	-	-	30,280,000	30,280,000
Premium on long-term debt	-	-	-	-	-	-	254,721	254,721
Debt issuance costs	-	-	-	-	-	(73,124)	-	(73,124)
Sale of school property	-	-	-	-	-	-	(266,261)	(266,261)
Transfers in	18,207,063	-	-	1,556,499	16,060,000	26,491,098	14,332,732	76,647,392
Transfers out	-	-	(29,435,466)	(16,819,194)	-	(2,263,112)	(28,129,621)	(76,647,393)
Total Other Financing Sources (Uses)	<u>18,207,063</u>	<u>-</u>	<u>(29,435,466)</u>	<u>(15,262,695)</u>	<u>16,060,000</u>	<u>24,154,862</u>	<u>16,471,571</u>	<u>30,195,335</u>
<b>Net change in fund balances</b>	981,282	5,434,283	(6,328,730)	813,806	15,118,319	2,513,648	4,351,815	22,884,423
FUND BALANCES - Beginning of Year	<u>3,962,828</u>	<u>8,859,231</u>	<u>9,375,641</u>	<u>(2,971,868)</u>	<u>-</u>	<u>13,637,340</u>	<u>23,590,470</u>	<u>56,453,642</u>
<b>FUND BALANCES (DEFICIT) - END OF YEAR</b>	<u>\$ 4,944,110</u>	<u>\$ 14,293,514</u>	<u>\$ 3,046,911</u>	<u>\$ (2,158,062)</u>	<u>\$ 15,118,319</u>	<u>\$ 16,150,988</u>	<u>\$ 27,942,285</u>	<u>\$ 79,338,065</u>

*The Notes to the Financial Statements are an integral part of this statement.*

## METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended June 30, 2020

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Net change in fund balances - total governmental funds	\$ 22,884,423
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.	
Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	11,346,118
Depreciation is reported in the government-wide statements	(13,427,534)
Net book value of assets retired	(226,525)
Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	
Unavailable revenue	13,605,808
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Debt issued	(30,280,000)
Premium on debt issued	(254,721)
Principal paid	18,626,971
Changes in net pension liability and net OPEB asset are reported in the government wide statement of activities	
Net OPEB asset	(166,685)
Net Pension asset	2,988,125
Net Pension liability	3,134,404
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Compensated absences	(352,107)
Deferred outflows of resources related to pensions	(3,807,034)
Deferred outflows OPEB related amounts	997,671
Accrued interest on debt	187,278
Prepaid expenses	(58,851)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds	
Deferred inflows of resources related to pensions	(2,600,887)
Internal Service Funds are used by management to change the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	
	<u>(838,094)</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 21,758,360</u></b>

*The Notes to the Financial Statements are an integral part of this statement.*

## METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

### STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUNDS

For the Year Ended June 30, 2020

	Self-Insurance	Internal Service	Totals
<b>OPERATING REVENUES</b>			
Charges for services	\$ 12,000,000	\$ 1,422,408	\$ 13,422,408
Other	<u>2,634,764</u>	<u>-</u>	<u>2,634,764</u>
Total Operating Revenues	<u>14,634,764</u>	<u>1,422,408</u>	<u>16,057,172</u>
<b>OPERATING EXPENSES</b>			
Employers pension and benefit	13,481,161	-	13,481,161
Community services	-	1,334,768	1,334,768
Facilities acquisition and construction	25,326	-	25,326
Other support services	<u>1,995,943</u>	<u>58,068</u>	<u>2,054,011</u>
Total Operating Expenses	<u>15,502,430</u>	<u>1,392,836</u>	<u>16,895,266</u>
<b>Operating Income</b>	<u>(867,666)</u>	<u>29,572</u>	<u>(838,094)</u>
NET POSITION - Beginning of Year	<u>3,637,841</u>	<u>122,990</u>	<u>3,760,831</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 2,770,175</u>	<u>\$ 152,562</u>	<u>\$ 2,922,737</u>

*The Notes to the Financial Statements are an integral part of this statement.*

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

STATEMENT OF NET POSITION -  
 PROPRIETARY FUNDS  
 June 30, 2020

	<u>Self-Insurance</u>	<u>Internal Service</u>	<u>Totals</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 4,022,439	\$ 165,769	\$ 4,188,208
<b>LIABILITIES AND NET POSITION</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable	212,457	482	212,939
Accrued payroll/vacation	<u>16,522</u>	<u>12,725</u>	<u>29,247</u>
Total Current Liabilities	<u>228,979</u>	<u>13,207</u>	<u>242,186</u>
<b>CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS</b>			
Liabilities Payable From Restricted Assets			
Claims payable	<u>1,023,285</u>	<u>-</u>	<u>1,023,285</u>
Total Current Liabilities Payable from Restricted Assets	<u>1,023,285</u>	<u>-</u>	<u>1,023,285</u>
Total Liabilities	<u>1,252,264</u>	<u>13,207</u>	<u>1,265,471</u>
<b>NET POSITION</b>			
Unrestricted	<u>2,770,175</u>	<u>152,562</u>	<u>2,922,737</u>
<b>TOTAL NET POSITION</b>	<u>\$ 2,770,175</u>	<u>\$ 152,562</u>	<u>\$ 2,922,737</u>

*The Notes to the Financial Statements are an integral part of this statement.*

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

STATEMENT OF CASH FLOWS -  
 PROPRIETARY FUNDS  
 For the Year Ended June 30, 2020

	<u>Self Insurance</u>	<u>Internal Service</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from interfund services provided	\$ 14,634,764	\$ 1,422,408	\$ 16,057,172
Payments for interfund services used	<u>(14,250,166)</u>	<u>(1,379,629)</u>	<u>(15,629,795)</u>
Net Cash Flows From Operating Activities	<u>384,598</u>	<u>42,779</u>	<u>427,377</u>
<b>Net Change in Cash and Cash Equivalents</b>	384,598	42,779	427,377
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>3,637,841</u>	<u>122,990</u>	<u>3,760,831</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 4,022,439</u>	<u>\$ 165,769</u>	<u>\$ 4,188,208</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income	\$ (867,666)	\$ 29,572	\$ (838,094)
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities			
Changes in assets, deferred outflows, liabilities and deferred inflows			
Accounts receivable	212,457	482	212,939
Accrued wages	16,522	12,725	29,247
Claims payable	<u>1,023,285</u>	<u>-</u>	<u>1,023,285</u>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>\$ 384,598</u>	<u>\$ 42,779</u>	<u>\$ 427,377</u>

*The Notes to the Financial Statements are an integral part of this statement.*

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

STATEMENT OF FIDUCIARY NET POSITION -  
FIDUCIARY FUNDS  
June 30, 2020

	OPEB Trust Fund	Custodial Funds
	<u>          </u>	<u>          </u>
<b>ASSETS</b>		
Cash and investments	\$ 597,838	\$ 1,348,437
Receivables:		
Taxes receivable	-	-
Interest	<u>29,994</u>	<u>-</u>
Total Receivables	<u>29,994</u>	<u>-</u>
Investments at fair value:		
Fixed income securities	3,616,435	-
Domestic and foreign equities	6,632,075	-
Unsettled trades	<u>6,774</u>	<u>-</u>
Total Investments	<u>10,255,284</u>	<u>-</u>
Total Assets	<u>10,883,116</u>	<u>1,348,437</u>
<b>LIABILITIES</b>		
Accounts payable	<u>-</u>	<u>1,027</u>
<b>NET POSITION</b>		
Restricted for OPEB	10,883,116	-
Restricted for ECAs	<u>-</u>	<u>1,347,410</u>
<b>TOTAL NET POSITION</b>	<u>\$ 10,883,116</u>	<u>\$ 1,347,410</u>

*The Notes to the Financial Statements are an integral part of this statement.*

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS For the Year Ended June 30, 2020

	OPEB Trust Funds	Custodial Funds
<b>ADDITIONS</b>		
Student receipts	\$ -	\$ 357,334
Fundraisers	-	40,986
Other	-	1,505,691
<b>ADDITIONS</b>		
Investment income:		
Net increase in fair value of investments	(12,502)	-
Interest and dividends	220,904	-
Miscellaneous income	(5,486)	-
Non-cash asset changes	8,154	-
Realized gains & market appreciation	380,026	-
Net Investment Income	591,096	-
Total Additions	591,096	1,904,011
<b>DEDUCTIONS</b>		
Benefit payments	1,173,637	-
Administrative expense	69,798	-
Other	3,791	-
Student activities	-	302,402
Support services	-	285,647
Instruction	-	897,117
Other	-	318,463
Total Deductions	1,247,226	1,803,629
Net increase in fiduciary net position	(656,130)	100,382
NET POSITION - Beginning of Year	11,539,246	1,247,028
<b>NET POSITION - End of Year</b>	<b>\$ 10,883,116</b>	<b>\$ 1,347,410</b>

*The Notes to the Financial Statements are an integral part of this statement.*

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## INDEX TO NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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The Metropolitan School District of Wayne Township (primary government) was established under the laws of the State of Indiana. The primary government operates under a Board of School Trustees from of government and provides education services.

The accounting policies of the Metropolitan School District of Wayne Township, Indiana conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

#### ***A. REPORTING ENTITY***

This report includes all of the funds of the school corporation. The reporting entity for the school corporation consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if: (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, blended, or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### **A. REPORTING ENTITY (cont.)**

##### ***Blended Component Units***

The Wayne Township Building Corporation is a blended component unit of the School Corporation. The Wayne Township Building Corporation was created for the purpose of financing School buildings and improvements. Although it is legally separate from the primary government, the Building Corporation is reported as if it were a part of the primary government because it provided services entirely or almost entirely to the primary government. To exclude the financial statements of this component unit would render the School's financial statements incomplete or misleading. The Building Corporation is included as a debt service fund (to account for the retirement of debt). The Building Corporation does not issue separate financial statements.

##### ***Discretely Presented Component Units***

###### ***Wayne Township Education Foundation***

The government-wide financial statements include the Wayne Township Education Foundation (Foundation) as a component unit. The Foundation is a legally separate organization organized and operated for the benefit of the School Corporation. Under the reporting standards of the Governmental Accounting Standards Board (GASB), the Foundation is defined to be a component unit of the School Corporation. The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the School Corporation in support of its programs.

Although the School Corporation does not control the timing or amount of receipts from the Foundation, the majority of resources or income that the Foundation holds and invests are restricted to the activities of the School Corporation by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the School Corporation, the Foundation is considered a component unit of the School Corporation and is discretely presented in the School Corporation's financial statements. Transactions with the Foundation primarily involve the funding of expenditures for which the School Corporation funds are not available. These include both unrestricted funds and those restricted by donors.

#### **B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

In June 2015, the GASB issued statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended*, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB*. This standard was implemented July 1, 2019.

In November 2016, the GASB issued statement No. 83, *Certain Asset Retirement Obligations*. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for legally enforceable asset retirement obligations (AROs) and requires that recognition occur when the liability is both incurred and reasonably estimable. This standard was implemented July 1, 2019.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### ***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

In January 2017, the GASB issued statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments for accounting and financial reporting purposes and how those activities should be reported. This standard was implemented July 1, 2019.

In March 2018, the GASB issued statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement defines debt for purposes of disclosure in notes to financial statements and establishes additional financial statement note disclosure requirements related to debt obligations of governments, including direct borrowings and direct placements. This standard was implemented July 1, 2019.

In June 2018, the GASB issued statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This standard was implemented July 1, 2019.

#### ***Government-Wide Financial Statements***

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Direct expenses are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

#### ***Fund Financial Statements***

Financial statements of the school corporation are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues, and expenditures/expenses.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

---

### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

##### ***Fund Financial Statements (cont.)***

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the school corporation or meets the following criteria:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental fund that met the 10% test is at least 5% of the corresponding total for all governmental funds combined.
- c. In addition, any other governmental fund that the school corporation believes is particularly important to financial statement users may be reported as a major fund.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The school corporation reports the following major governmental funds:

Education Fund - accounts for all financial resources of the general government related to education of students.

Operations Fund - accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Referendum - Operations Fund - accounts for financial resources accumulated due to the referendum passed in 2015 and the uses of those resources.

Debt Service Fund - accounts for all financial resources related to the debt of the general government

2020 First Mortgage - accounts for the activity associated with the 2020 first mortgage bond issuance.

Building Corporation Debt Service Fund - accounts for payments made to the building corp from the school corporation and debt payments being made in accordance with established amortization schedules

The school corporation reports the following nonmajor governmental fund types:

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

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

---

### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

---

#### ***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

##### ***Fund Financial Statements (cont.)***

The school corporation reports the following nonmajor governmental and enterprise funds: (cont.)

Debt Service Funds - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs.

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

In addition, the school corporation reports the following fund types:

Internal Service Funds - used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the school corporation, or to other governmental units, on a cost-reimbursement basis.

OPEB Trust Funds- used to account for and report resources that that have been placed in trust to cover OPEB Benefits.

Custodial Funds - used to account for and report assets controlled by the school corporation and the assets are for the benefit of individuals, private organizations, and/or other governmental units.

#### ***C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION***

##### ***Government-Wide Financial Statements***

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the school corporation's water and sewer and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

---

#### ***C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)***

##### ***Fund Financial Statements***

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the school corporation considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recognized as revenues in the year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the school corporation is entitled to the resources and the amounts are available. Amounts owed to the school corporation which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues. Delinquent special assessments being held by the county are reported as receivables and unavailable revenues.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Self-Insurance and Internal Service funds are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

---

### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)***

##### ***All Financial Statements***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY***

##### ***1. Deposits and Investments***

For purposes of the statement of cash flows, the school corporation considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

The School Corporation's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Nonparticipating certificates of deposit, demand deposits and similar nonparticipating negotiable instruments that are not reported as cash and cash equivalents are reported as investments at fair value. See Note III. A. for further information.

##### ***2. Receivables***

Property taxes levied are collected by the County Treasurer and are distributed to the primary government in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by December 31 of the year preceding the budget year or January 15 of the budget year if the School Corporation is issuing debt after December 1 or intends of filing a shortfall appeal. These rates were based upon the preceding year's January 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments that become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the primary government prior to December 31 of the year collected. Delinquent property taxes outstanding at year end for governmental proprietary funds are recorded as a receivable with an offset to deferred inflows of resources – unavailable revenue since the amounts are not considered available.

The total certified levy for MSD Wayne Township School Corporation for June 30, 2020 was \$70,711,853; however, circuit breaker credits reduced the assessed levy by \$14,260,952, bringing the total estimated collections from property taxes down to \$56,450,901.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

---

### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### ***2. Receivables (cont.)***

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

##### ***3. Inventories and Prepaid Items***

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the purchases method of accounting.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

##### ***4. Capital Assets***

###### ***Government-Wide Statements***

Capital assets, which include land, buildings, machinery, vehicles, equipment, and improvements other than buildings are reported in the government-wide financial statements. Capital assets are defined by the school corporation as assets with an initial cost of more than \$10,000. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Land	NA	Years
Buildings	15-40	Years
Machinery, vehicles, and equipment	5-20	Years
Improvements other than buildings	5-30	Years

For depreciated assets, the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

##### ***5. Deferred Outflows of Resources***

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time. The School Corporation is reporting deferred outflows of resources for pension and OPEB related amounts.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

---

### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### **6. *Compensated Absences***

Upon separation of service, employees are not paid sick, personal, or vacation days, except in the instance where they are paid a portion of unused sick time as severance pay. Employees with 10 years of service, and have applied for PERF benefits would receive severance pay for their unused sick time. Additionally unused comp time would be paid out at separation.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2020, are determined on the basis of current salary rates and include salary related payments.

##### **7. *Long-Term Obligations***

All long-term obligations to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of bonds, leases, and loans payable, as well as the net pension liability.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

##### **8. *Deferred Inflows of Resources***

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time. One of the deferred inflows reported, arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The school corporation is also reporting deferred inflows for pension related amounts on the government-wide schedule.

##### **9. *Equity Classifications***

###### ***Government-Wide Statements***

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

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### **9. Equity Classifications (cont.)**

- c. Unrestricted net position - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the school corporation's policy to use restricted resources first, then unrestricted resources as they are needed.

#### ***Fund Statements***

Governmental fund balances are displayed as follows:

- a. Restricted - Consists of fund balances with constraints placed on their use either by: 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- b. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the School Corporation Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the School Corporation Board that originally created the commitment.
- c. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

The school corporation considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the school corporation would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

See Note III. G. for further information.

Fiduciary fund net position is classified as restricted for pool participants, individuals, organizations, and other governments on the statement of fiduciary net position. Various donor restrictions apply, including authorizing and spending trust income, and the school corporation believes it is in compliance with all significant restrictions.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

---

### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### *D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)*

##### **10. Postemployment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the net OPEB asset, deferred outflows of resources related to OPEB and OPEB expense have been determined on the same basis as they are reported by the School Corporation OPEB Plan. For this purpose, the School Corporation OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

##### **11. Pensions**

For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions expense, information about the fiduciary net position of the Indiana Public Employees' Retirement Fund, the Teachers' Retirement Fund (TRF), and the Pre-96 TRF Fund (the Plans), and additions to and deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with benefit terms.

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### NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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#### **A. DEFICIT BALANCES**

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year-end.

As of June 30, 2020, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Education Fund	\$ 2,158,062	Payable amount for accrued wages
Sanders COOP Funds	269,750	Liability due to advances from other funds
HSE (GED)	16,010	Payable amount for accrued wages
2019-20 CSFL Tech	390	Accounts payable amount
2020 Esser	2,272	Accounts payable amount
Federal Programs	408,234	Liability due to advances from other funds
2017 First Mortgage	134,890	Liability due to advances from other funds
2018 GO Bond	137,158	Liability due to advances from other funds

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

### NOTE III - DETAILED NOTES ON ALL FUNDS

#### A. DEPOSITS AND INVESTMENTS

The school corporation's deposits and investments at year-end were comprised of the following:

	Carrying Value	Statement Balances	Associated Risks
Checking accounts	\$ 52,229,858	\$ 52,656,004	Custodial credit risk
Money market accounts	598,096	598,096	Custodial credit risk
Certificates of deposit	40,971,715	40,971,715	Custodial credit risk
Equity securities/stocks	6,632,075	6,632,075	Custodial credit risk
Unsettled trades	6,774	6,774	Custodial credit risk
Fixed income securities	3,616,435	3,616,435	Credit risk, custodial credit risk, interest rate risk
 Total Deposits and Investments	 \$104,054,953	 \$104,481,099	
Reconciliation to financial statements			
Per statement of net position			
Unrestricted cash and investments	\$ 91,853,394		
Per statement of net position - fiduciary funds			
Custodial funds	1,348,437		
OPEB trust funds	10,853,122		
 Total Deposits and Investments	 \$104,054,953		

Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The bank balances were insured by the Federal Deposit Insurance Corporation or the Indiana Public Deposit Insurance Fund, which cover all all public funds held in approved depositories.

The school corporation categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**A. DEPOSITS AND INVESTMENTS (cont.)**

The valuation methods for recurring fair value measurements are as follows:

Investment Type	June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equity Securities	\$ 6,632,075	\$ -	\$ -	\$ 6,632,075
Fixed Income Securities	-	3,616,435	-	3,616,435
Unsettled Trades	-	6,774	-	6,774
Total	<u>\$ 6,632,075</u>	<u>\$ 3,623,209</u>	<u>\$ -</u>	<u>\$ 10,255,284</u>

***Custodial Credit Risk***

**Deposits**

Custodial credit risk is the risk that in the event of a financial institution failure, the school corporation's deposits may not be returned to the school corporation.

The School Corporation's deposit policy for custodial credit risk is to comply with Indiana Code 5-13-8-1.

As of June 30, 2020, \$10,255,284 of the school corporation's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	<u>\$ 10,255,284</u>
Total	<u><u>\$ 10,255,284</u></u>

***Credit Risk***

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School's investment policy for credit risk is to stay in compliance with Indiana Code.

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**A. DEPOSITS AND INVESTMENTS (cont.)**

**Credit Risk (cont.)**

As of June 30, 2020, the school corporation's investments were rated as follows:

Rating	Fixed Income Securities
AAA	73,661
AA+	1,358,158
AA	196,683
AA-	116,170
A+	33,536
A	77,552
A-	454,216
BBB+	225,085
BBB	58,478
Unrated	1,022,896
Total	\$ 3,616,435

**Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

The School Corporation does not have a policy associated with concentration of credit risk.

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

The school must follow state statute and limit the stated final maturities of the investments to no more than five years. The School does not have a formal investment policy for interest rate risk for investments but has elected to follow Indiana State Statutes.

Investment Type	Fair Value	Maturity (In Years)		
		Less than 1 Year	1-2 Years	More Than 2 Years
Fixed Income Securities	\$ 3,616,435	\$ 218,432	\$ 387,182	\$ 3,010,821
Totals	\$ 3,616,435	\$ 218,432	\$ 387,182	\$ 3,010,821

See Note I.D.1. for further information on deposit and investment policies.

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**B. RECEIVABLES**

All of the receivables on the balance sheet are expected to be collected within one year.

Governmental funds report *unavailable revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of *unavailable revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>
Taxes Receivable	<u>\$ 30,906,463</u>
Total Unavailable Revenue for Governmental Funds	<u><u>\$ 30,906,463</u></u>

**C. CAPITAL ASSETS**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 97,700	\$ -	\$ -	\$ 97,700
Construction in progress	-	<u>8,857,379</u>	<u>6,393,732</u>	<u>2,463,647</u>
Total Capital Assets Not Being Depreciated	<u>97,700</u>	<u>8,857,379</u>	<u>6,393,732</u>	<u>2,561,347</u>
Capital assets being depreciated				
Buildings	388,690,945	6,393,732	-	395,084,677
Improvements other than buildings	24,243,914	279,602	457,742	24,065,774
Machinery and equipment	<u>33,964,914</u>	<u>3,136,700</u>	<u>395,413</u>	<u>36,706,201</u>
Total Capital Assets Being Depreciated	<u>446,899,773</u>	<u>9,810,034</u>	<u>853,155</u>	<u>455,856,652</u>
Total Capital Assets	<u>446,997,473</u>	<u>18,667,413</u>	<u>7,246,887</u>	<u>458,417,999</u>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**C. CAPITAL ASSETS (cont.)**

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities (cont.)</b>				
Less: Accumulated depreciation for				
Buildings	\$ (193,186,983)	\$ (9,533,924)	\$ -	\$ (202,720,907)
Improvements other than buildings	(16,911,679)	(1,036,880)	327,845	(17,620,714)
Machinery and equipment	<u>(26,839,734)</u>	<u>(2,856,730)</u>	<u>298,785</u>	<u>(29,397,679)</u>
Total Accumulated Depreciation	<u>(236,938,396)</u>	<u>(13,427,534)</u>	<u>626,630</u>	<u>(249,739,300)</u>
Net Capital Assets Being Depreciated	<u>209,961,377</u>	<u>(3,617,500)</u>	<u>226,525</u>	<u>206,117,352</u>
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 210,059,077</u>	<u>\$ 5,239,879</u>	<u>\$ 6,620,257</u>	<u>\$ 208,678,699</u>

Depreciation expense was charged to functions as follows:

<b>Governmental Activities</b>	
Nonprogrammed charges	<u>\$ 13,427,534</u>
Total Governmental Activities Depreciation Expense	<u>\$ 13,427,534</u>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

***D. INTERFUND TRANSFERS***

***Interfund Receivables/Payables***

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Building Corporation Debt Service	Nonmajor governmental funds	\$ 2,984,685
Education Fund	Nonmajor governmental funds	1,992,077
Nonmajor governmental funds	Nonmajor governmental funds	<u>4,400,127</u>
Total - Fund Financial Statements		9,376,889
Less: Government-wide eliminations		<u>(9,376,889)</u>
Total Internal Balances - Government-Wide Statement of Net Position		<u><u>\$ -</u></u>

All amounts are due within one year.

The principal purpose of these interfunds is cover negative cash balances at year end.

***Transfers***

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
Education Fund	Debt Service Fund	\$ 1,556,498	For debt service
Operating Fund	Education Fund	16,819,194	To support operations
Operating Fund	Debt Service Fund	1,387,870	For debt service
Building Corporation Debt Service Fund	Debt Service Fund	26,491,098	For debt service
2020 First Mortgage	Nonmajor governmental funds	16,060,000	Transfer of bond proceeds
Nonmajor governmental funds	Building Corporation Debt Service	2,263,112	For debt service
Nonmajor governmental funds	Nonmajor governmental funds	<u>12,069,621</u>	To support operations
Total - Fund Financial Statements		76,647,393	
Less: Government-wide eliminations		<u>(76,647,393)</u>	
Total Transfers - Government-Wide Statement of Activities		<u><u>\$ -</u></u>	

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**D. INTERFUND TRANSFERS (cont.)**

**Transfers (cont.)**

Generally, transfers are used to: (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**E. LONG-TERM OBLIGATIONS**

Long-term obligations activity for the year ended June 30, 2020, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities</b>					
Bonds and Notes Payable					
General obligation debt	\$ 207,380,000	\$ 30,280,000	\$ 13,015,000	\$ 224,645,000	\$ 21,870,000
Loans payable	6,370,003	-	1,455,003	4,915,000	748,333
Premium on bond debt	<u>20,022,844</u>	<u>254,721</u>	<u>2,768,459</u>	<u>17,509,106</u>	<u>-</u>
Sub-totals	<u>233,772,847</u>	<u>30,534,721</u>	<u>17,238,462</u>	<u>247,069,106</u>	<u>22,618,333</u>
Other Liabilities					
Compensated absences	23,194	355,826	-	379,020	379,020
Capital leases	1,768,473	927,562	1,388,508	1,307,527	555,683
Net pension liability	<u>22,004,335</u>	<u>-</u>	<u>3,134,404</u>	<u>18,869,931</u>	<u>-</u>
Total Other Liabilities	<u>23,796,002</u>	<u>1,283,388</u>	<u>4,522,912</u>	<u>20,556,478</u>	<u>934,703</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 257,568,849</u>	<u>\$ 31,818,109</u>	<u>\$ 21,761,374</u>	<u>\$ 267,625,584</u>	<u>\$ 23,553,036</u>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**E. LONG-TERM OBLIGATIONS (cont.)**

**General Obligation Debt**

All general obligation notes and bonds payable are backed by the full faith and credit of the school corporation. Notes and bonds in the governmental funds will be retired by future property tax levies accumulated by the debt service fund

**Governmental Activities**

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance as of June 30, 2020</u>
General obligation bond of 2018	6/7/18	1/15/23	2.25% to 3%	\$ 4,000,000	\$ 2,885,000
Ad valorem property tax first mortgage bonds, series 2013	6/12/13	1/15/33	3.5% to 4%	6,875,000	6,875,000
Ad valorem property tax first mortgage refunding and improvement bonds, series 2014	4/15/04	1/15/34	3.6% to 5%	62,770,000	53,910,000
Ad valorem property tax first mortgage refunding bonds, series 2015	3/8/15	1/15/31	3.5% to 4%	15,900,000	13,960,000
Ad valorem property tax first mortgage bonds, series 2016	6/21/16	1/15/36	3.5% to 4%	6,805,000	6,805,000
Ad valorem property tax first mortgage refunding and improvement bonds, series 2017	10/17/17	1/15/37	4% to 5%	98,170,000	91,665,000
General obligation bond of 2019	11/7/19	1/15/22	2%	10,055,000	10,055,000
First mortgage bonds, series 2020	2/4/10	1/15/36	2.15%	20,225,000	20,225,000
First mortgage refunding bond, series 2004	10/7/04	1/10/22	5%	19,880,000	10,430,000
Ad valorem property tax first mortgage bonds, series 2019	4/16/19	1/15/32	4% to 5%	7,835,000	<u>7,835,000</u>
Total Governmental Activities - General Obligation Debt					<u><u>\$ 224,645,000</u></u>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**E. LONG-TERM OBLIGATIONS (cont.)**

**General Obligation Debt (cont.)**

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt	
	Principal	Interest
2021	\$ 21,870,000	\$ 9,038,215
2022	16,640,000	8,630,758
2023	15,355,000	7,612,898
2024	15,105,000	6,991,228
2025	15,775,000	6,354,524
2026-2030	89,295,000	20,470,077
2031-2031	41,610,000	5,222,178
2036-	8,995,000	363,115
Totals	<u>\$ 224,645,000</u>	<u>\$ 64,682,993</u>

**Loans Payable**

Loans Payable at June 30, 2020 consist of the following:

Governmental Activities Loan Payable	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance June 30, 2020
Solar Farm	9/12/18	1/15/29	3%	\$ 4,940,000	\$ 4,115,000
Common school loan B0016	11/2/18	7/1/21	1%	1,600,000	<u>800,000</u>
Total Governmental Activities Loans Payable					<u>\$ 4,915,000</u>

Debt service requirements to maturity are as follows:

School Years Ending June 30,	Governmental Activities Loans Payable	
	Principal	Interest
2021	\$ 748,333	\$ 68,392
2022	706,667	115,033
2023	450,000	100,425
2024	465,000	86,850
2025	480,000	72,750
2026-2030	<u>2,065,000</u>	<u>141,825</u>
Totals	<u>\$ 4,915,000</u>	<u>\$ 585,275</u>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**F. LEASE DISCLOSURES**

***Lessee - Capital Leases***

The School Corporation has acquired buses, reported as capital assets, through capital lease. The balance of those assets under capital lease is \$1,056,690, with a original cost of \$1,556,326 less accumulated depreciation of \$249,818. The future minimum lease obligations and the net present value on these minimum lease payments as of June 30, 2020, are as follows:

<u>Years</u>	Governmental Activities		
	Principal	Interest	Totals
2021	\$ 555,683	\$ 32,262	\$ 587,945
2022	273,287	20,713	294,000
2023	186,875	13,839	200,714
2024	192,906	7,808	200,714
2025	98,776	1,582	100,358
Totals	\$ 1,307,527	\$ 76,204	\$ 1,383,731

**G. NET POSITION/FUND BALANCES**

Net position reported on the government wide statement of net position at June 30, 2020, includes the following:

***Governmental Activities***

Net Investment in Capital Assets	
Land	\$ 97,700
Construction in progress	2,463,647
Other capital assets, net of accumulated depreciation	206,117,352
Less: Long-term debt outstanding	(242,154,106)
Plus: Unspent bond proceeds	29,887,554
Total Net Investment in Capital Assets	\$ (3,587,853)

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**G. NET POSITION/FUND BALANCES (cont.)**

**Governmental Funds**

Governmental fund balances reported on the fund financial statements at June 30, 2020, include the following:

	Education Fund	Referendum - Operations	Debt Service	Operations Fund	2020 First Mortgage	Building Corporation Debt Service	Nonmajor Funds	Total Governmental Funds
<b>Fund Balances</b>								
<b>Restricted for:</b>								
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,825,083	\$ 7,825,083
Support Services	-	14,293,514	-	4,944,110	-	-	7,722,391	26,960,015
Debt Service	-	-	3,046,911	-	-	16,150,988	1,844	19,199,743
Building Acquisition	-	-	-	-	15,118,319	-	12,056,599	27,174,918
Sub-total	-	14,293,514	3,046,911	4,944,110	15,118,319	16,150,988	27,605,917	81,159,759
<b>Committed to:</b>								
Instruction	-	-	-	-	-	-	358,493	358,493
Support Services	-	-	-	-	-	-	81,366	81,366
Community Services	-	-	-	-	-	-	513,231	513,231
Other	-	-	-	-	-	-	351,982	351,982
Sub-total	-	-	-	-	-	-	1,305,072	1,305,072
<b>Unassigned (deficit):</b>	(2,158,062)	-	-	-	-	-	(968,704)	(3,126,766)
<b>Total Fund Balances (Deficit)</b>	<u>\$ (2,158,062)</u>	<u>\$ 14,293,514</u>	<u>\$ 3,046,911</u>	<u>\$ 4,944,110</u>	<u>\$ 15,118,319</u>	<u>\$ 16,150,988</u>	<u>\$ 27,942,285</u>	<u>\$ 79,338,065</u>

**NOTE IV - OTHER INFORMATION**

**A. EMPLOYEES' RETIREMENT SYSTEM**

**Public Employees' Retirement Fund**

**Plan description.** The School Corporation participates in the Public Employees' Retirement Fund, a cost-sharing multiple-employer defined benefit plan effective July 1, 2013 based on 35 IAC 21-1-1, 35 IAC 21-1-2 and amended IC 5-10.2-2-11(b). PERF was established to provide retirement, disability, and survivor benefits to full-time employees of the State of Indiana not covered by another plan, those political subdivisions that elect to participate in the retirement plan, and certain INPRS employees. Political subdivisions mean a county, city, town, township, political body corporate, public school corporation, public library, public utility of a county, city, town, township, and any department of, or associated with, a county, city, town, or township, which department receives revenue independently of, or in addition to, funds obtained from taxation. There are two (2) tiers to the PERF Plan. The first is the Public Employees' Defined Benefit Plan (PERF Hybrid Plan) and the second is the My Choice Retirement Savings Plan for Public Employees (My Choice). Details of the PERF Hybrid Plan are described below.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

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### NOTE IV - OTHER INFORMATION (cont.)

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#### **A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

##### **Public Employees' Retirement Fund (cont.)**

**PERF Hybrid Plan Description.** The PERF Hybrid Plan was established by the Indiana Legislature in 1945 and is governed by the INPRS Board of Trustees in accordance with Indiana Code (IC) 5-10.2, IC 5-10.3, and IC 5-10.5. There are two (2) aspects to the PERF Hybrid Plan defined benefit structure. The first portion is the monthly defined benefit pension that is funded by the employer. The second portion of the PERF Hybrid Plan benefit structure is the Public Employees' Hybrid Members Defined Contribution Account (DC Account), formerly known as the Annuity Savings Account (ASA), which that supplements the defined benefit at retirement.

**Contributions.** Members are required to contribute 3% of their annual covered salary to their defined contribution account. The primary government is required to contribute at an actuarially determined rate; the current rate for calendar year 2019 is 11.20% percent of annual covered payroll. The rate for 2020 is also 11.20%. The contribution requirements of plan members and the primary government are established and may be amended by the INPRS Board of Trustees. The actuarial amount, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the PERF plan from the School Corporation were \$3,331,316 for the fiscal year ended June 30, 2019.

**Retirement Benefits.** The PERF Hybrid Plan retirement benefit consists of the sum of a defined pension benefit provided by employer contributions plus the amount credited to the member's DC Account. Pension benefits vest after 10 years of creditable service. The vesting period is eight (8) years for certain elected officials. Members are immediately vested in their annuity savings account. At retirement, a member may choose to receive a lump sum payment of the amount credited to the member's annuity savings account, receive the amount as an annuity, or leave the contributions invested with INPRS. Vested PERF members leaving a covered position, who wait 30 days after termination, may withdraw their DC account and will not forfeit creditable service or a full retirement benefit. However, if a member is eligible for a full retirement at the time of the withdrawal request, he/she will have to begin drawing his/her pension benefit in order to withdraw the DC Account. A non-vested member who terminates employment prior to retirement may withdraw his/her DC Account after 30 days, but by doing so, forfeits his/her creditable service. A member who returns to covered service and works no less than six (6) months in a covered position may reclaim his/her forfeited creditable service.

A member who has reached age 65 and has at least 10 years of creditable service is eligible for normal retirement and, as such, is entitled to 100 percent of the pension benefit component. This annual pension benefit is equal to 1.1 percent times the average annual compensation times the number of years of creditable service. The average annual compensation in this calculation uses the highest 20 calendar quarters of salary in a covered position. All 20 calendar quarters do not need to be continuous, but they must be in groups of four (4) consecutive calendar quarters. The same calendar quarter may not be included in two (2) different groups. For PERF members who serve as an elected official, the highest one (1) year (total of four (4) consecutive quarters) of annual compensation is used. Member contributions paid by the employer on behalf of the member and severance pay up to \$2,000 are included as part of the member's annual compensation.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

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### NOTE IV - OTHER INFORMATION (cont.)

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#### **A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

##### **Public Employees' Retirement Fund (cont.)**

A member who has reached age 60 and has at least 15 years of creditable service is eligible for normal retirement and, as such, is entitled to 100 percent of the pension benefit. A member who is at least 55 years old and whose age plus number of years of creditable service is at least 85 is entitled to 100 percent of the benefits as described above.

A member who has reached at least age 50 and has at least 15 years of creditable service is eligible for early retirement with a reduced pension. A member retiring early receives a percentage of the normal annual pension benefit. The percentage of the pension benefit at retirement remains the same for the member's lifetime. For age 59, the early retirement percentage of the normal annual pension benefit is 89 percent. This amount is reduced five (5) percentage points per year (e.g., age 58 is 84 percent) to age 50 being 44 percent.

The monthly pension benefits for members in pay status may be increased periodically as cost of living adjustments (COLA). Such increases are not guaranteed by statute and have historically been provided on an "ad hoc" basis and can only be granted by the Indiana General Assembly.

**Disability and Survivor Benefits.** The PERF Hybrid Plan also provides disability and survivor benefits. A member who has at least five (5) years of creditable service and becomes disabled while in active service, on FMLA leave, receiving workers' compensation benefits, or receiving employer-provided disability insurance benefits may retire for the duration of the disability, if the member has qualified for social security disability benefits and has furnished proof of the qualification. The disability benefit is calculated the same as that for a normal retirement without reduction for early retirement. The minimum benefit is \$180 per month, or the actuarial equivalent.

Upon the death in service of a member with 15 or more years of creditable service as of January 1, 2007, a survivor benefit may be paid to the surviving spouse to whom the member had been married for two (2) or more years, or surviving dependent children under the age of 18. This payment is equal to the benefit which would have been payable to a beneficiary if the member had retired at age 50 or at death, whichever is later, under an effective election of the joint and survivor option available for retirement benefits. A surviving spouse or surviving dependent children are also entitled to a survivor benefit upon the death in service after January 1, 2007, of a member who was at least 65 years of age and had at least 10 but not more than 14 years of creditable service.

**Retirement Benefits – My Choice.** Members are required to participate in My Choice. The My Choice DC Account consists of the member's contributions, set by statute at three (3) percent of compensation as defined by IC 5-10.2-3-2 for PERF, plus the interest/earnings or losses credited to the member's account. The employer may elect to make the contributions on behalf of the member. The School has elected to make the contributions on behalf of the member. In addition, under certain conditions, members may elect to make additional voluntary contributions of up to 10 percent of their compensation into their DC Account. A member's contributions and interest credits belong to the member and do not belong to the State or political subdivision.

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE IV - OTHER INFORMATION (cont.)**

**A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

**Public Employees' Retirement Fund (cont.)**

**Rate of Return.** The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the fiscal year ended June 30, 2019 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense for Public Employee's Retirement Fund was 7.32 percent.

**Net Pension Liability**

At June 30, 2019, the school corporation reported a liability of \$18,869,931 for its proportionate share of the net pension liability. The school corporation's proportion of the total was measured on the ratio of the wages reported by employers relative to the collective wages of the plan. This basis of allocation measures the proportionate relationship of an employer to all employers and is consistent with the manner in which contributions to the pension plan are determined. The plan does not have a special funding situation, as there is not a non-employer contributing entity legally responsible for making contributions that are used to provide pension benefits to members of the pension plan. At June 30, 2019, the school corporation's proportion was 0.57094%. The net pension liability as of June 30, 2019 is calculated as set forth in the following table:

	PERF Plan Totals
	<u>                    </u>
Net pension liability - beginning June 30, 2018	\$ 19,707,958
Differences between expected and actual experience	243,272
Net difference between projected and actual investment	(1,475,606)
Change of assumptions	1,070,331
Changes in proportion and differences between employer contributions and proportionate share of contributions	(349,236)
Pension expense	3,004,528
Contributions	<u>(3,331,316)</u>
Net pension liability - June 30, 2019	<u><u>\$ 18,869,931</u></u>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE IV - OTHER INFORMATION (cont.)**

**A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

**Public Employees' Retirement Fund (cont.)**

**Deferred Outflows of Resources and Deferred Inflows of Resources.** At June 30, 2019, the school corporation reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 499,669	\$ -
Changes in assumptions	4,201	2,051,301
Net differences between projected and actual earnings on pension plan investments	-	891,934
Changes in proportion and differences between employer contributions and proportionate share of contributions	36,140	370,889
Employer contributions subsequent to the measurement date	<u>3,494,478</u>	<u>-</u>
Totals	<u>\$ 4,034,488</u>	<u>\$ 3,314,124</u>

\$3,494,478 reported as deferred outflows related to pension resulting from the Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (net)</u>
2020	\$ (848,547)
2021	(1,498,472)
2022	(357,841)
2023	(69,254)

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### **Public Employees' Retirement Fund** (cont.)

**Pension Expense.** The School Corporation recognized pension expense for the following proportionate share of pension expense:

Pension Expense	
Proportionate share of plan pension expense	\$ 2,986,523
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	<u>18,005</u>
Total	<u><u>\$ 3,004,528</u></u>

**Key Methods and Assumptions.** Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuations are presented below:

Valuation Date:	June 30, 2019
Assets:	June 30, 2018 - Member census data as of June 30, 2018 was used in the valuation and adjusted where appropriate to reflect changes between June 30, 2018 and June 30, 2019. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2018 to June 30, 2019 measurement date.
Liabilities:	
Actuarial Cost Method:	Entry Age Normal (Level percent of payroll)
Actuarial Assumptions:	
Experience Study Date:	Period of 4 years ended June 30, 2014
Investment Rate of Return:	6.75%, net of investment expense, including inflation
Cost of Living Increases:	2020-2021 - 13th check
	2022-2033 - 0.40%
	2034-2038 - 0.50%
	2039 and on - 0.60%
Salary increases, including inflation:	2.50% - 4.25%
Inflation:	2.25%

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### *Public Employees' Retirement Fund* (cont.)

Mortality:

Health: RP-2014 Total Data Set Mortality Table, with Social Security Administration generational improvement scale from 2006

Disability: RP-2014 Disability Mortality Table, with Social Security Administration generational improvement scale from 2006

**Change in Assumptions.** There were no changes in assumptions for the June 30, 2018 actuarial valuation. An assumption study was performed in April 2015 for the June 30, 2015 actuarial valuation with changes amortized over the average expected remaining service lives of the plan for the following assumptions:

The long-term return expectation has been determined by using a building-block approach and assumes a time horizon, as defined by INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established and the long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

	Target Asset Allocation %	Long-Term Expected Real Rate of Return % (Geometric Basis)
Public Equity	22%	4.9%
Private Equity	14	7.0
Fixed Income - Ex Inflation-Linked	20	2.5
Fixed Income - Inflation-Linked	7	1.3
Commodities	8	2.0
Real Estate	7	6.7
Absolute Return	10	2.9
Risk Parity	12	5.3

**Discount rate.** The discount rate used to measure the total pension liability was 6.75% as of June 30, 2018 and is equal to the long-term expected return on plan investments.

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE IV - OTHER INFORMATION (cont.)**

**A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

**Public Employees' Retirement Fund (cont.)**

**Sensitivity of the school corporation's proportionate share of the net pension liability to changes in the discount rate.** The following presents the school corporation's proportionate share of the net pension liability calculated using the discount rate of 6.75 percent, as well as what the school corporation's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

	1% Decrease to Discount Rate (5.75%)	Current Discount Rate (6.75%)	1% Increase to Discount Rate (7.75%)
School Corporation's proportionate share of the net pension liability	\$30,305,358	\$18,869,931	\$9,331,909

**Teacher's Retirement Plan**

**Plan Description.** Teacher's Retirement Plan (TRF) is a cost-sharing, multiple-employer defined benefit fund providing retirement, disability, and survivor benefits. Membership in TRF is required for all legally qualified and regularly employed licensed teachers who serve in the public schools of Indiana, teachers employed by the state at state institutions, and certain INPRS personnel. Faculty members and professional employees at Ball State University and Vincennes University have the option of selecting membership in the Fund or an alternate University plan not administered by INPRS. Membership in TRF is optional for teachers employed by charter schools, employees and officials of the Indiana State Board of Education who were Indiana licensed teachers before their employment with the Board, and teachers employed by special management teams as defined under IC 20-31. Administration of the fund is generally in accordance with IC 5-10.2, IC 5-10.4, 35 IAC 14, and other Indiana pension law. TRF is a component of the Teachers' Hybrid Plan.

**Retirement Benefits - Defined-Benefit Pension.** The TRF Plan retirement benefit consists of the sum of the defined pension benefit provided by the employer contributions plus the amount credited to the member's annuity savings account.

Pension benefits vest after 10 years of creditable service. Members are immediately vested in their annuity savings account. At retirement, a member may choose to receive a lump sum payment of the amount credited to the member's annuity savings account, receive the amount as an annuity, or leave the contributions invested with INPRS. Vested TRF members leaving a covered position, who wait 30 days after termination, may withdraw their annuity savings account and will not forfeit creditable service or a full retirement benefit. However, if a member is eligible for a full retirement at the time of the withdrawal request, he/she will have to begin drawing his/her pension benefit in order to withdraw the annuity savings account. A nonvested member who terminates employment prior to retirement may withdraw his/her annuity savings account after 30 days, but by doing so, forfeits his/her creditable service. A member who returns to covered service and works no less than six (6) months in a covered position may reclaim his/her forfeited creditable service.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

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### NOTE IV - OTHER INFORMATION (cont.)

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#### **A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

##### ***Teacher's Retirement Plan (cont.)***

A member who has reached age 65 and has at least 10 years of creditable service is eligible for normal retirement and, as such, is entitled to 100 percent of the pension benefit component. This annual pension benefit is equal to 1.1 percent times the average annual compensation times the number of years or creditable service. The average annual compensation in this calculation uses the highest 20 calendar quarters of salary in a covered position. All 20 calendar quarters do not need to be continuous, but they must be in groups of four (4) consecutive calendar quarters. The same calendar quarter may not be included in two (2) difference groups. Member contributions paid by the employer on behalf of the member and severance pay up to \$2,000 are included as part of the member's annual compensation.

A member who has reached age 60 and has at least 15 years of creditable service is eligible for early retirement and, as such, is entitled to 100 percent of the pension benefit. A member who is at least 55 years old and whose age plus number of years of creditable services is at least 85 is entitled to 100 percent of the benefits described above.

A member who has reached at least age 50 and has at least 15 years of creditable service is eligible for early retirement with a reduced pension. A member retiring early receives a percentage of the normal annual pension benefit. The percentage of the pension benefit at retirement remains the same for the member's lifetime. For age 59, the early retirement percentage of the normal annual pension benefit is 89 percent. This amount is reduced five (5) percentage points per year (e.g., age 58 is 84 percent) to age 50 being 44 percent.

The monthly pension benefits for members in pay status may be increased periodically as cost of living adjustments (COLA). Such increases are not guaranteed by statute and have historically been provided on an "ad hoc" basis and can only be granted by the Indiana General Assembly.

**Retirement Benefits - Disability and Survivor Benefits.** The TRF Plan also provides disability and survivor benefits. A member who has at least five (5) years of creditable service and becomes disabled while in active service, on FMLA leave, receiving workers' compensation benefits, or receiving employer-provided disability insurance benefits may retire for the duration of the disability, if the member has qualified for social security disability benefits and has furnished proof of the qualification. TRF classroom disability may be available for those who do not qualify for social security disability guidelines. The disability benefit is calculated the same as that for a normal retirement without reduction for early retirement. The minimum benefit is \$180 per month, or the actuarial equivalent.

Upon the death in service of a member with 15 or more years of creditable service as of January 1, 2007, a survivor benefit may be paid to the surviving spouse to whom the member had been married for two (2) or more years, or surviving dependent children under the age of 18. This payment is equal to the benefit which would have been payable to a beneficiary if the member had retired at age 50 or at death, whichever is later, under an effective election of the joint and survivor option available for retirement benefits. A surviving spouse or surviving dependent children are also entitled to a survivor benefit upon the death in service after January 1, 2007, of a member who was at least 65 years of age and had at least 10 but not more than 14 years of creditable service.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### *Teacher's Retirement Plan* (cont.)

**Contributions.** Members are required to contribute 3% of their annual covered salary. The School Corporation is required to contribute at an actuarially determined rate; the rate for fiscal year 2019 was 7.50% of annual covered payroll. The contribution requirements of plan members and the primary government are established and may be amended by the INPRS Board of Trustees. The actuarial amount, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

The School Corporation contributes the employer's share to TRF for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995, is considered to be an obligation of, and is paid by, the State of Indiana. Contributions to the TRF plan from the School Corporation were \$5,084,010 for the year ended June 30, 2019.

**Pension Assets, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Indiana Public Retirement System (INPRS) and additions to/deductions from INPRS's fiduciary net position have been determined on the same basis as they are reported by INPRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. At June 30, 2019, the School reported an asset of \$2,988,125 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2019 and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The School's proportion of the net pension asset was based on the School's reported wages as a proportion of total collective reported wages for all employers. At June 30, 2019, the School's proportion was 2.08001 percent. The net pension asset as of June 30, 2019 is calculated as set forth in the following table:

	TRF Plan Totals
Net pension liability - beginning June 30, 2018	\$ 2,296,377
Differences between expected and actual experience	(213,105)
Net difference between projected and actual investment	(1,918,342)
Change of assumptions	280,675
Changes in proportion and differences between employer contributions and proportionate share of contributions	(2,764,039)
Pension expense	4,414,319
Contributions	(5,084,010)
Net pension asset - June 30, 2019	\$ (2,988,125)

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE IV - OTHER INFORMATION (cont.)**

**A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

**Teacher's Retirement Plan (cont.)**

For the year ended June 30, 2019, the School Corporation recognized pension expense of \$4,414,319 for the TRF Fund. A breakdown of the pension expense is shown below:

Pension Expense	
Proportionate share of plan pension expense	\$ 4,707,223
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	<u>(292,904)</u>
Total	<u>\$ 4,414,319</u>

At June 30, 2019, the School reported deferred inflows of resources and deferred outflows of resources related to pensions from the following services:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,208,811	\$ 3,398,108
Changes in assumptions	3,529,954	6,789,671
Net differences between projected and actual earnings on pension plan investments	-	1,635,587
Changes in proportion and differences between employer contributions and proportionate share of contributions	291,337	3,145,993
Employer contributions subsequent to the measurement date	<u>3,638,977</u>	<u>-</u>
Totals	<u>\$ 8,669,079</u>	<u>\$ 14,969,359</u>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE IV - OTHER INFORMATION (cont.)**

**A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

**Teacher's Retirement Plan (cont.)**

\$3,638,977 reported as deferred outflows related to pension resulting from the Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows of Resources and Deferred Inflows of Resources (net)
2020	\$ (779,692)
2021	(1,721,804)
2022	(1,496,267)
2023	(977,745)
2024	(834,981)
Thereafter	(4,128,768)

**Actuarial Assumptions.**

Inflation:	2.25%
Salary increases, including inflation:	2.50%-12.50% based on years of service
Cost of Living Increases:	2020-2021 - 13th check
	2022-2033 - 0.40%
	2034-2038 - 0.50%
	2039 and on - 0.60%
Mortality:	RP-2014 Total Data Set Mortality Table, with Social Security Administration generational improvement scale from 2006

The June 30, 2019 valuations, the COLA assumption was changed due to passage of Senate Enrolled Act No. 373. In lieu of a 1.0 percent COLA beginning on January 1, 2020, INPRS assumes that the COLA will be replaced by a 13<sup>th</sup> check for 2020 and 2021. The COLA assumption thereafter, would be 0.4 percent beginning on January 1, 2022, change to 0.5 percent beginning on January 1, 2034, and ultimately 0.6 percent beginning on January 1, 2039.

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE IV - OTHER INFORMATION (cont.)**

**A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

**Teacher's Retirement Plan (cont.)**

**Discount Rate.** The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from units will be made at contractually required rates, actuarially determined.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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 School's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate.** The following presents the School's proportional share of the net pension asset calculated using the discount rate of 6.75 percent, as well as what the School's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

	1% Decrease to Discount Rate (5.75%)	Current Discount Rate (6.75%)	1% Increase to Discount Rate (7.75%)
School Corporation's proportionate share of the net pension (asset) liability	\$18,293,399	\$(2,988,125)	\$(20,225,791)

INPRS issues publicly available financial information that includes financial statements and required supplementary information for the PERF and TRF plans that can be found at:

[http://www.in.gov/inprs/files/2019\\_INPRSCAFRBook.pdf](http://www.in.gov/inprs/files/2019_INPRSCAFRBook.pdf)

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

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### NOTE IV - OTHER INFORMATION (cont.)

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#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### **Teachers' Pre-96 Retirement Fund**

**Plan Description.** The School Corporation participates in the Teachers' Pre-1996 Defined Benefit Account, a pay-as-you-go, cost-sharing, multiple-employer defined benefit fund providing retirement, disability, and survivor benefits for teachers, administrators and certain INPRS employees. Administration of the account is generally in accordance with IC 5-10.2, IC 5-10.4, and 35 IAC 14. TRF Pre-'96 DB is the employer-funded defined benefit component of the Teachers' Hybrid Plan, and the Teachers' Hybrid Members Defined Contribution Account is with the other component.

The state of Indiana assumes 100% of the net pension liability for the plan. The net pension liability associated with MSD Wayne School Corporation is \$151,886,828.

**Retirement Benefits – Defined Benefit Pension.** Pension benefits vest after 10 years of creditable service. Members are immediately vested in their annuity savings account. At retirement, a member may choose to receive a lump sum payment of the amount credited to the member's annuity savings account, receive the amount as an annuity, or leave the contributions invested with INPRS. Vested Pre-96 TRF members leaving a covered position, who wait 30 days after termination, may withdraw their annuity savings account and will not forfeit creditable service or a full retirement benefit. However, if a member is eligible for a full retirement at the time of the withdrawal request, he/she will have to begin drawing his/her pension benefit in order to withdraw the annuity savings account. A nonvested member who terminates employment prior to retirement may withdraw his/her annuity savings account after 30 days, but by doing so, forfeits his/her creditable service. A member who returns to covered service and works no less than six (6) months in a covered position may reclaim his/her forfeited creditable service.

A member who has reached age 65 and has at least 10 years of creditable service is eligible for normal retirement and, as such, is entitled to 100 percent of the pension benefit component. This annual pension benefit is equal to 1.1 percent times the average annual compensation times the number of years or creditable service. The average annual compensation in this calculation uses the highest 20 calendar quarters of salary in a covered position. All 20 calendar quarters do not need to be continuous, but they must be in groups of four (4) consecutive calendar quarters. The same calendar quarter may not be included in two (2) difference groups. Member contributions paid by the employer on behalf of the member and severance pay up to \$2,000 are included as part of the member's annual compensation.

A member who has reached age 60 and has at least 15 years of creditable service is eligible for early retirement and, as such, is entitled to 100 percent of the pension benefit. A member who is at least 55 years old and whose age plus number of years of creditable services is at least 85 is entitled to 100 percent of the benefits described above.

A member who has reached at least age 50 and has at least 15 years of creditable service is eligible for early retirement with a reduced pension. A member retiring early receives a percentage of the normal annual pension benefit. The percentage of the pension benefit at retirement remains the same for the member's lifetime. For age 59, the early retirement percentage of the normal annual pension benefit is 89 percent. This amount is reduced five (5) percentage points per year (e.g., age 58 is 84 percent) to age 50 being 44 percent.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

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### NOTE IV - OTHER INFORMATION (cont.)

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#### **A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

##### **Teachers' Pre-96 Retirement Fund (cont.)**

The monthly pension benefits for members in pay status may be increased periodically as cost of living adjustments (COLA). Such increases are not guaranteed by statute and have historically been provided on an "ad hoc" basis and can only be granted by the Indiana General Assembly.'

**Retirement Benefits - Disability and Survivor Benefits.** The Pre-96 TRF Plan also provides disability and survivor benefits. A member who has at least five (5) years of creditable service and becomes disabled while in active service, on FMLA leave, receiving workers' compensation benefits, or receiving employer-provided disability insurance benefits may retire for the duration of the disability, if the member has qualified for social security disability benefits and has furnished proof of the qualification. Pre-96 TRF classroom disability may be available for those who do not qualify for social security disability guidelines. The disability benefit is calculated the same as that for a normal retirement without reduction for early retirement. The minimum benefit is \$180 per month, or the actuarial equivalent.

Upon the death in service of a member with 15 or more years of creditable service as of January 1, 2007, a survivor benefit may be paid to the surviving spouse to whom the member had been married for two (2) or more years, or surviving dependent children under the age of 18. This payment is equal to the benefit which would have been payable to a beneficiary if the member had retired at age 50 or at death, whichever is later, under an effective election of the joint and survivor option available for retirement benefits. A surviving spouse or surviving dependent children are also entitled to a survivor benefit upon the death in service after January 1, 2007, of a member who was at least 65 years of age and had at least 10 but not more than 14 years of creditable service.

**Contributions** The Pre-96 TRF Plan is funded 100% from the State of Indiana.

**Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** 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 Indiana Public Retirement System (INPRS) and additions to/deductions from INPRS's fiduciary net position have been determined on the same basis as they are reported by INPRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. At June 30, 2019, the net pension liability is assumed by the State of Indiana and the School does not report any liability for the pension liability.

For the year ended June 30, 2019, the School recognized pension expense of \$11,156,365 for the Pre-96 TRF Fund. No amounts were recognized for deferred outflows of resources and deferred inflows of resources.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

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### NOTE IV - OTHER INFORMATION (cont.)

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#### **A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

##### **Teachers' Pre-96 Retirement Fund (cont.)**

###### Actuarial Assumptions

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

The actuarial assumptions used in the June 30, 2019 valuation of the Teachers' Pre-1996 Defined Benefit Account were adopted by the INPRS Board in May 2019. The majority of the actuarial and methods are based on plan experience from July 1, 2011 through June 30, 2014 and were first used in the June 30, 2015 valuation. The INPRS Board adopted a funding policy in April 2014, and the policy was last updated in October 2018.

The June 30, 2019 valuations, the COLA assumption was changed due to passage of Senate Enrolled Act No. 373. In lieu of a 1.0 percent COLA beginning on January 1, 2020, INPRS assumes that the COLA will be replaced by a 13<sup>th</sup> check for 2020 and 2021. The COLA assumption thereafter, would be 0.4 percent beginning on January 1, 2022, change to 0.5 percent beginning on January 1, 2034, and ultimately 0.6 percent beginning on January 1, 2039.

###### Discount Rate

The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from units will be made at contractually required rates, actuarially determined.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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.

#### **B. RISK MANAGEMENT AND SELF INSURANCE**

The School Corporation may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters. These risks can be mitigated through the purchase of insurance, establishment of a self insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the School Corporation to set aside money for claim settlements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

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**NOTE IV - OTHER INFORMATION (cont.)**

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***B. RISK MANAGEMENT (cont.)***

***Claims Liability***

	<u>Current Year</u>
Unpaid claims - beginning of year	\$ 1,413,774
Current year claims and changes in estimates	14,247,275
Claim payments	<u>14,637,764</u>
Unpaid claims - end of year	<u><u>\$ 1,023,285</u></u>

***C. COMMITMENTS AND CONTINGENCIES***

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

From time to time, the school corporation is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the school corporation attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the school corporation's financial position or results of operations.

The school corporation has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

The school corporation has active construction projects as of June 30, 2020. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

***D. OTHER POSTEMPLOYMENT BENEFITS***

***GENERAL INFORMATION ABOUT THE OPEB PLAN***

**Plan description.** The school corporation's single employer defined benefit OPEB plan provides OPEB medical and prescription drug OPEB benefits until Medicare eligibility once they attain the age of 50 with 15 years of service.

METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

NOTE IV - OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

**Management Employees.** Management employees contracted prior to July 1, 2004 who retire on/after age 55 with 15 years of service are eligible to receive free retiree health benefits (medical and prescription drug) until Medicare eligibility. Those who retire prior to age 55 are required to pay the full cost of coverage. Management employees who are contracted on/after July 1, 2004 are allowed to enroll in the District’s group health plans at retirement by paying the full cost of coverage.

**Teachers.** Teachers who were hired prior to June 2, 2003 and had 15 years of service as of this date, who retire on/after age 55 with 10 years of service receive the following Board subsidy:

- Single – lesser of (a) 99% of premium or (b) \$273.37 per month
- Member / Spouse – lesser of (a) 95% of premium or (b) \$716.18 per month

Teachers who retire prior to age 55 with 10 years of service are required to pay the full cost of coverage. Teachers who were hired on/after June 2, 2003 or had less than 15 years of service as of this date are allowed to enroll in the District’s group health plans at retirement by paying the full cost of coverage.

**Support Staff.** Support Staff employees are allowed to enroll in the District’s group health plans at retirement by paying the full cost of coverage.

The school corporation also offers longevity packages for management, teachers, and support staff at different rates and amounts based on hire date and years of service.

Lastly, the school corporation offers severance packages to management and teachers, based on years of service and hire date.

MSD of Wayne Township has two separate Trusts to fund the retiree benefits:

- VEBA Trust for funding retiree health benefits for Management and Teachers.
- 457 Trust for funding longevity and severance benefits for Management and Teachers.

A lump sum contribution was made at the inception of the Trust and there have not been any funding contributions made by the School Corporation into either Trusts since then. Benefits are being paid from both Trusts.

**Employees covered by benefit terms.** At June 30, 2020, the following employees were covered by the benefit terms:

Retiree Participants	57
Active Participants	<u>2,090</u>
Total Participants	<u><u>2,147</u></u>

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

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### NOTE IV - OTHER INFORMATION (cont.)

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#### ***D. OTHER POSTEMPLOYMENT BENEFITS*** (cont.)

##### ***TOTAL OPEB ASSET***

The school corporation's total OPEB asset of \$4,804,650 was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

***Actuarial assumptions and other inputs.*** The total OPEB asset in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50% per year
Salary increases	Payroll growth is based on TRF actuarial valuation as of 6-30-19. Percentage increases range from 2.5% to 12% based on years of service
Healthcare cost trend rates	8% in 2021, trending down to 4.5% in 2028 and later
Retirees' share of benefit-related costs	Retiree contributions are assumed to increase according to health care trends

The discount rate was based on a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. The best estimates of arithmetic real rates of return for each major asset class included in the OPEB Plan's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	L/T Expected Real ROR
Equities	60%	7.92%
Fixed Income	35%	3.50%
Cash & Equivalents	<u>5%</u>	<u>0.50%</u>
Total	100%	6.00%

The final equivalent single discount rate used for this year's valuation is 6.00%. The Trust is fully funded and expected to be able to pay all future benefit payments with no additional contributions.

#### **Mortality Assumptions:**

- Management and Support Staff: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2019
- Teachers: SOA Pub-2010 Teachers Headcount Weighted Mortality Table fully generational using Scale MP-2019
- Surviving Spouses: SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2019

No experience study was conducted for the actuarial valuation.

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE IV - OTHER INFORMATION (cont.)**

**D. OTHER POSTEMPLOYMENT BENEFITS (cont.)**

**CHANGES IN THE NET OPEB LIABILITY (ASSET)**

	Total OPEB Liability (Asset)
Balances at June 30, 2019	\$ 6,567,911
Changes for the year:	
Service cost	173,706
Interest	369,801
Changes of benefit terms	(990,961)
Differences between expected and actual experience	1,000,485
Changes in assumptions or other inputs	131,161
Benefit payments	(1,173,637)
Net changes	(489,445)
Plan fiduciary net position - end of year	10,883,116
Balances at June 30, 2020	\$ (4,804,650)

**Sensitivity of the net OPEB liability (asset) to changes in the discount rate.** The following presents the net OPEB liability (asset) of the school corporation, as well as what the school corporation's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.00 percent) or 1-percentage-point higher (7.00 percent) than the current discount rate:

	1% Decrease (5.00%)	Discount Rate (6.00%)	1% Increase (7.00%)
Net OPEB liability (asset)	\$ (4,284,768)	\$ (4,804,650)	\$ (5,268,190)

**Sensitivity of the net OPEB liability (asset) to changes in the healthcare cost trend rates.** The following presents the net OPEB liability (asset) of the school corporation, as well as what the school corporation's net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.0 percent decreasing to 3.5 percent) or 1-percentage-point higher (9.0 percent decreasing to 5.5 percent) than the current healthcare cost trend rates:

	1% Decrease (7.0%) Decreasing to 3.5%)	Healthcare Cost Trend Rates (8.0%) Decreasing to 4.5%)	1% Increase (9.0%) Decreasing to 5.5%)
Net OPEB liability (asset)	\$ (5,300,706)	\$ (4,804,650)	\$ (4,230,148)

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2020

**NOTE IV - OTHER INFORMATION (cont.)**

***D. OTHER POSTEMPLOYMENT BENEFITS (cont.)***

***OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB***

For the year ended June 30, 2020, the school corporation recognized OPEB expense of \$830,985. At June 30, 2020, the school corporation reported the following deferred outflows or inflows of resources related to OPEB.

	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 833,737
Net difference between projected and actual earnings in OPEB plan investments	54,633
Changes of assumptions or other inputs	<u>109,301</u>
Total	<u>\$ 997,671</u>

The balances as of June 30, 2020 of the deferred outflows of resources will be recognized in OPEB expense in the future fiscal years as noted below:

<u>Year Ended June 30</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (net)</u>
2021	\$ 202,266
2022	202,266
2023	202,266
2024	202,267
2025	188,606

***E. SUBSEQUENT EVENT***

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei province, China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United States, including to areas impacting the School Corporation. In March of 2020, the School Corporation shut down and had to revert to all virtual learning.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

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### NOTE IV - OTHER INFORMATION (cont.)

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#### *E. SUBSEQUENT EVENTS* (cont.)

As of the date of this report, the pandemic is still ongoing and the School Corporation's evaluation of the effects of these events continues. The School anticipates this situation could impact several areas subsequent to the report date. The extent of the impact of COVID-19 on the School Corporation's operational and financial performance will depend on future developments, including the duration and spread of the outbreak and related governmental or other regulatory actions.

#### **Bond Issuance**

The School Corporation sold Ad Valorem Property Tax First Mortgage Bonds, Series 2021, in the amount of 22,300,000 on March 30, 2021. The interest rate on the bonds is 1.95%. These bonds will be used to finance the 2021 Equity, Efficiency, and Improvement projects, including the renovation of and improvements to school facilities throughout the School Corporation, including site improvements, the purchase of technology, vehicles, and equipment, and the payment of the costs of the issuance of the Bonds, including the underwriter's discount. The School issued the bonds on April 20th, 2021.

#### *F. TAX ABATEMENT*

Under the state statute, IC 6-1.1-12.1 the County provides tax abatements for rehabilitation or redevelopment of real property in economic revitalization areas. Economic revitalization area (ERA) means an area which is within the corporate limits of a city, town or county which has become undesirable for, or impossible of, normal development and occupancy because of lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property. The tax abatements under this statute are for real property tax and personal property tax.

#### **Real Property Tax Abatements (I.C. 6-1.1-12.1)**

The abatements are obtained through application by the property owner, approval by the County Council, and a signed agreement between the parties. The agreement is usually for a ten-year period in which the County is willing to forgo tax revenues (real property tax) and the property owner promises to take specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments. Each year of the agreement's time frame the property owner must verify that they have met the commitments set forth in the agreement. The County must also agree that the commitments have been met. The County then allows the percentage of reduction to be applied to the eligible assessed value.

#### **Tax Abatements – Personal Property Tax (I.C. 6-1.1-12.1)**

The County Council approves the tax abatements for personal property tax. Once approval is granted the taxpayer must file forms with the County Assessor each year of the abatement. The forms used, depending on the type of property, are 103-ERA, State form 52503; CF-1/PP, State form 51765; SB-1/PP, State form 51764; and form 103-EL, State form 52515 that accompanies the ERA. After the forms are filed, the County Assessor calculated the minimum value ratio (MVR) which is the Total True Tax Value, from Schedule A divided by 30% of Adjusted Cost, from Schedule A. The adjusted cost is multiplied by the True Tax Value percentage for the property pool by year of purchase of the asset, then times the MVR. Each year of the agreement's time frame the property owner must verify that they have met the commitments set forth in the agreement. The County must also agree that the commitments have been met. The County then allows the reduction in personal property tax to be applied.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

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### NOTE IV - OTHER INFORMATION (cont.)

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#### *F. TAX ABATEMENT* (cont.)

##### **Vacant Building Abatement (I.C. 6-1.1-12.1-4.8)**

Up to a two-year real property tax abatement is available to a company, according to local qualifications, based on occupying a building that has been vacant for more than a year. The building must be used for commercial or industrial purposes and be located in a designated Economic Revitalization Area, as designated by the Council. Prior approval of the Council must occur before occupying the facility and the Council determines the time period for the abatement. All of these programs are designed to spur job creation and retention, grow the income and property tax base, support the redevelopment of areas experiencing a cessation of growth, attract and retain businesses in targeted industries, and assist distressed businesses, among other objectives. Minimum eligibility criteria for such abatements vary by program, as noted above, but generally require that an investment in real or personal property be projected to increase assessed value, create or retain jobs and/or promote economic revitalization. In return for such abatements, the County generally commits to permit, zoning and job training assistance. Included in each abatement agreement are provisions specifying certain damages, among which may include a clawback of some or all of the taxes previously abated. If a company ceases operations or announces the cessation of operations at the facility for which the abatement was granted, termination of the abatement agreement is warranted and 100% clawback is required. Other clawbacks are calculated based on the highest level of non-compliance among the measured categories for that project.

##### **Impact of Abatements on Revenues**

Indiana property tax laws complicate the calculation of the exact impact of property tax abatements on the tax revenues of a given unit of local government. Constraints on the growth of the annual tax levy and constitutional limitations on taxes (also known as property tax caps) are the chief complicating factors. The increase in the annual tax levy is limited to the growth in the 6-year moving average of nonfarm personal income growth, which is known as the Assessed Value Growth Quotient (AVGQ). Statutory property tax caps for homesteads, agricultural and other residential and commercial are equal to 1%, 2% and 3%, respectively, of associated assessed valuations.

The tax rate, which is established for each taxing unit by the Department of Local Government Finance, is based on the tax levy requested by the taxing unit (as limited by the AVGQ) divided by the net assessed value of the property in a physical taxing district. The theory behind the AVGQ is that the costs of government should not be increasing at a greater rate than taxpayer incomes.

Tax abatements are granted on the assessed value of the property abated. The taxpayer's taxes are then calculated based on this reduced assessment, thus resulting in a lower tax liability. But because a given district's tax rate is calculated based on the total net assessed value in the district (net of abatements and other adjustments), the certified levy of each unit in the district is the same as if the abatements had not been granted.

Additionally, to the extent that parcels have reached the constitutional limit of tax liability as a percentage of gross assessed value, the property tax rate caps (circuit breaker credits) reduce the property tax collections of the affected taxing units. The degree to which property tax abatements exacerbate circuit breaker losses differs by parcel and is dependent on the proportion of abated assessed value to total gross assessed value, as well as prevailing property tax rates.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

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### NOTE IV - OTHER INFORMATION (cont.)

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#### ***F. TAX ABATEMENT*** (cont.)

The estimated gross amount, on a cash basis by which the MSD Wayne Township School's property tax revenues (payable 2020 taxes) were reduced as a result of the aforementioned County abatement programs, totaled \$307,212. The abatements for the MSD Wayne Township School included abatements for the following programs:

Industrial Tax Abatement	\$	167,932
Personal Property Abatements		<u>139,280</u>
Totals	\$	<u><u>307,212</u></u>

While MSD Wayne Township School has calculated the potential impact of existing tax abatements on its property tax revenues for 2019 to approximate \$307,212 the actual extent of lost revenues is something less than this amount and cannot be reasonably determined due to the application of circuit breaker credits.

#### ***G. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS***

The Governmental Accounting Standards Board (GASB) has approved the following:

- > Statement No. 87, *Leases*
- > Statement No. 91, *Conduit Debt Obligations*
- > Statement No. 92, *Omnibus*
- > Statement No. 93, *Replacement of Interbank Offered Rates*
- > Statement No. 94, *Public Private and Public-Public Partnerships and Availability Payment Arrangements*

The statements listed above through Statement No. 93 had their required effective dates postponed by one year with the issuance of Statement No. 95, Postponement of Effective Dates of Certain Authoritative Guidance, with the exception of Statement No. 87 which was postponed by one and a half years.

When they become effective, application of these standards may restate portions of these financial statements.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
Public Employees' Retirement Fund  
Last 10 Fiscal Years\*

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<u>Fiscal Year Ended **</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Liability as a Percentage of Covered Payroll</u>
June 30, 2019	0.57094%	\$ 18,869,931	\$ 29,746,487	63.4%
June 30, 2018	0.58015%	19,707,958	29,602,673	66.6%
June 30, 2017	0.58610%	26,149,106	29,077,381	89.9%
June 30, 2016	0.57061%	25,896,818	27,347,089	94.7%
June 30, 2015	0.56423%	22,980,535	27,025,477	85.0%
June 30, 2014	0.52197%	13,717,033	25,483,910	53.8%

Notes:

\* Information presented for the years information is available.

\*\* The data provided in the schedule is based as of the measurement date of INPRS (PERF) net pension liability

## METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 Teachers' Retirement Fund  
 Last 10 Fiscal Years\*

<u>Fiscal Year Ended **</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Liability as a Percentage of Covered Payroll</u>
June 30, 2019	0.0208001	\$ (2,988,125)	\$ 67,811,333	-4.4%
June 30, 2018	0.0207450	2,296,377	65,064,047	3.5%
June 30, 2017	0.0202398	13,402,729	61,112,760	21.9%
June 30, 2016	0.0199496	15,571,069	57,462,309	27.1%
June 30, 2015	0.0204503	10,768,678	56,050,325	19.2%
June 30, 2014	0.0204026	970,161	52,800,244	1.8%

Notes:

\* Information presented for the years information is available.

\*\* The data provided in this schedule is as of the measurement date of INPRS (TRF) net pension liability.

## METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF SCHOOL CONTRIBUTIONS  
 Public Employees' Retirement Fund  
 Last 10 Fiscal Years\*

Fiscal Year Ended **	Statutorily Required Contribution Percentage	Actual Employer Contributions	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2019	11.20%	\$ 3,331,316	\$ 29,746,487	11.20%
June 30, 2018	11.20%	3,315,857	29,602,673	11.20%
June 30, 2017	11.20%	3,251,977	29,077,381	11.18%
June 30, 2016	11.20%	3,058,391	27,347,089	11.18%
June 30, 2015	11.20%	3,019,938	27,025,477	11.17%

Notes:

\* Information presented for the years information is available.

\*\* The data provided in the schedule is based as of the measurement date of INPRS (PERF) net pension liability

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF SCHOOL CONTRIBUTIONS Teachers' Retirement Fund Last 10 Fiscal Years\*

Fiscal Year Ended **	Statutorily Required Contribution Percentage	Actual Employer Contributions	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2019	7.50%	\$ 5,084,010	\$ 67,811,333	7.50%
June 30, 2018	7.50%	4,879,810	65,064,047	7.50%
June 30, 2017	7.50%	4,583,451	61,112,760	7.50%
June 30, 2016	7.50%	4,309,669	57,462,309	7.50%
June 30, 2015	7.50%	4,248,243	56,050,325	7.58%

**Notes:**

\* Information presented for the years information is available.

\*\* The data provided in this schedule is as of the measurement date of INPRS (TRF) net pension liability.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN NET OPEB LIABILITY Last 10 Years\*

	<u>Fiscal Year Ended June 30, 2020</u>
<b>NET OPEB LIABILITY</b>	
<b>TOTAL OPEB LIABILITY</b>	
Service cost	\$ 173,706
Interest	369,801
Changes in benefit terms	(990,961)
Changes in assumptions	131,161
Differences between expected and actual experience	1,000,485
Benefit payments	<u>(1,173,637)</u>
Net change in total pension liability	(489,445)
 Total OPEB liability - beginning of year	 <u>6,567,911</u>
Total OPEB liability - end of year	<u>\$ 6,078,466</u>
 <b>PLAN FIDUCIARY NET POSITION</b>	
Net Investment income	\$ 587,304
Benefit payments	(1,173,637)
Trust administrative expenses	<u>(69,798)</u>
Net change in Plan Fiduciary Net Position	(656,131)
 Plan fiduciary net position - beginning of year	 <u>11,539,247</u>
Plan fiduciary net position - end of year	<u>\$ 10,883,116</u>
 Net OPEB Liability (Asset)	 <u>\$ (4,804,650)</u>

Notes to Schedule:

\* Information presented for the years information is available.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF NET OPEB LIABILITY Last 10 Years\*

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	<u>June 30, 2020</u>
1. Total OPEB Liability (1)	\$ 6,078,466
2. Plan Fiduciary Net Position (2)	<u>10,883,116</u>
3. Net OPEB Liability (Asset) (3)	<u>\$ (4,804,650)</u>
4. Plan Fiduciary Net Position as a Percentage of Total OPEB Liability = (2) / (1)	179.0%
5. Covered Payroll (5)	\$ 104,718,303
6. Total OPEB Liability as a Percentage of Covered Payroll = (3) / (5)	-4.6%

*See notes to required supplementary information*

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION

### SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last 10 Years\*

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<b>OPEB Contributions</b>	<u>2019</u>
Actuarially determined contribution	\$ 1,173,637
Actual employer contributions	-
Contribution deficiency	<u>\$ 1,173,637</u>
Covered payroll	\$ 104,718,303
Contributions as a percentage of covered - employee payroll	0.0%

Notes to schedule:

\* Information presented for the years information is available.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF EMPLOYER'S SHARE OF NONEMPLOYER CONTRIBUTING ENTITY CONTRIBUTIONS Pre-96 Teacher Retirement Fund Last 10 Fiscal Years\*

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<u>Year Ended **</u>	Employer Share of Nonemployer Contributing Entity Contributions
June 30, 2019	\$ 13,485,122
June 30, 2018	12,862,533

Notes:

\* Information presented for the years information is available.

\*\* The data provided in this schedule is as of the measurement date of INPRS (PERF) net pension liability.

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

REQUIRED SUPPLEMENTARY INFORMATION  
NON-GAAP BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND  
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 118,275,000	\$ 100,510,000	\$ 122,556,904	\$ 22,046,904
Miscellaneous	3,580,000	3,019,525	2,550,213	(469,312)
<b>Total Revenues</b>	<b>121,855,000</b>	<b>103,529,525</b>	<b>125,107,117</b>	<b>21,577,592</b>
<b>EXPENDITURES</b>				
General Government:				
Instruction:				
Personal services	83,655,649	86,196,933	86,193,358	3,575
Supplies	1,388,903	1,136,255	1,095,404	40,851
Other services and charges	4,077,004	1,700,841	4,097,341	(2,396,500)
Capital Outlay	31,500	24,889	24,889	-
Support services:				
Personal services	15,221,500	15,876,448	16,993,361	(1,116,913)
Supplies	281,250	225,302	232,503	(7,201)
Other services and charges	247,550	155,013	154,866	147
Community services:				
Personal Services	1,005,450	997,373	1,100,395	(103,022)
<b>Total Expenditures</b>	<b>105,908,806</b>	<b>106,313,054</b>	<b>109,892,117</b>	<b>(3,579,063)</b>
Excess (deficiency) of revenues over (under) expenditures	15,946,194	(2,783,529)	15,215,000	17,998,529
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	500,000	4,423,858	3,923,858
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>500,000</b>	<b>4,423,858</b>	<b>3,923,858</b>
<b>Net Change in Fund Balances</b>	<b>15,946,194</b>	<b>(2,283,529)</b>	<b>19,638,858</b>	<b>21,922,387</b>
FUND BALANCE - Beginning	2,399,047	2,399,047	2,399,047	-
<b>FUND BALANCE - ENDING</b>	<b>\$ 18,345,241</b>	<b>\$ 115,518</b>	<b>\$ 22,037,905</b>	<b>\$ 21,922,387</b>

See notes to required supplementary information

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

REQUIRED SUPPLEMENTARY INFORMATION  
NON-GAAP BUDGETARY COMPARISON SCHEDULE  
OPERATING FUND

For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Tax	\$ 19,918,391	\$ 650,000	\$ 8,154,913	\$ 7,504,913
Intergovernmental	1,026,000	823,000	1,650,798	827,798
Miscellaneous	200,000	558,000	1,673,619	1,115,619
<b>Total Revenues</b>	<b>21,144,391</b>	<b>2,031,000</b>	<b>11,479,330</b>	<b>9,448,330</b>
<b>EXPENDITURES</b>				
General Government:				
Support services:				
Personal services	15,469,325	16,400,412	17,570,821	(1,170,409)
Supplies	2,002,820	5,213,966	5,717,758	(503,792)
Other services and charges	6,511,519	3,079,903	4,293,219	(1,213,316)
Capital outlay	100,000	18,608	18,608	-
Community services:				
Personal services	66,325	41,625	41,625	-
Supplies	-	-	575	(575)
Other services and charges	4,800	5,040	5,040	-
Facilities acquisition and construction:				
Capital outlay	1,360,000	1,625,644	1,549,952	75,692
Debt services:				
Other services and charges	-	-	733,413	(733,413)
Capital outlay	-	293,949	597,495	(303,546)
<b>Total Expenditures</b>	<b>25,514,789</b>	<b>26,679,147</b>	<b>30,528,506</b>	<b>(3,849,359)</b>
Excess (deficiency) of revenues over (under) expenditures	(4,370,398)	(24,648,147)	(19,049,176)	5,598,971
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	17,000,000	20,000,000	3,330,880	(16,669,120)
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>17,000,000</b>	<b>20,000,000</b>	<b>3,330,880</b>	<b>(16,669,120)</b>
<b>Net Change in Fund Balances</b>	<b>12,629,602</b>	<b>(4,648,147)</b>	<b>(15,718,296)</b>	<b>(11,070,149)</b>
FUND BALANCE - Beginning	5,549,598	5,549,598	5,549,598	-
<b>FUND BALANCE - ENDING</b>	<b>\$ 18,179,200</b>	<b>\$ 901,450</b>	<b>\$ (10,168,699)</b>	<b>\$ (11,070,149)</b>

See notes to required supplementary information

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

REQUIRED SUPPLEMENTARY INFORMATION  
NON-GAAP BUDGETARY COMPARISON SCHEDULE  
REFERENDUM - OPERATIONS  
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Tax	\$ 10,423,923	\$ 10,300,000	\$ 10,670,741	\$ 370,741
Intergovernmental	580,000	418,000	798,975	380,975
Total Revenues	11,003,923	10,718,000	11,469,716	751,716
<b>EXPENDITURES</b>				
General Government:				
Support services:				
Personal services	5,200,000	6,546,328	2,001,328	4,545,000
Supplies	400,000	476,984	476,984	-
Other services and charges	4,052,000	2,935,023	2,300,907	634,116
Facilities acquisition and construction:				
Capital outlay	793,000	800,844	499,765	301,079
Total Expenditures	10,445,000	10,759,179	5,278,984	5,480,195
Excess (deficiency) of revenues over (under) expenditures	558,923	(41,179)	6,190,732	(4,728,479)
FUND BALANCE - Beginning	8,864,288	8,864,288	8,864,288	-
<b>FUND BALANCE - ENDING</b>	<b>\$ 9,423,211</b>	<b>\$ 8,823,109</b>	<b>\$ 15,055,020</b>	<b>\$ (4,728,479)</b>

*See notes to required supplementary information*

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

REQUIRED SUPPLEMENTARY INFORMATION  
BUDGET/GAAP RECONCILIATION  
For the Year Ended December 31, 2019

The major differences between Budgetary (Non-GAAP) basis and GAAP basis are:

- a. Revenue are recorded when received in cash (budgetary) as opposed to susceptible to accrual (GAAP)
- b. Expenditures are recorded when paid in cash (budgetary) as opposed to when the liability is incurred (GAAP)

Adjustments necessary to convert the results of operations at the end of the year on a budgetary basis to a GAAP basis are as follows:

	<u>Operations</u>	<u>Education</u>	<u>Referendum - Operations</u>
Net changes in fund balances (budgetary basis)	\$ (15,718,296)	\$ 19,638,858	\$ 6,190,732
Adjustments			
Net change in fund balance Jan - June 2019	(7,426,736)	(11,877,643)	(5,115,462)
Net change in fund balance Jan - June 2020	7,698,556	8,553,372	4,375,072
Net change in transfers	18,207,063	(15,262,695)	-
To adjust revenues for accruals	(267,808)	967	-
To adjust expenditures for accruals	<u>(1,511,497)</u>	<u>(239,053)</u>	<u>(16,059)</u>
Net change in fund balances (GAAP basis)	<u>\$ 981,282</u>	<u>\$ 813,806</u>	<u>\$ 5,434,283</u>

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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### I. Budgets and Budgetary Accounting

The School follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedules:

1. The Chief Financial Officer submits to the School Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. The School advertises the budget prior to adoption and the School Board holds public hearings to obtain taxpayer comments.
3. The budget is approved in September of each year by the School Board through passage of an ordinance.
4. Copies of the budget ordinance and advertisements are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the Chief Financial Officer receives approval from the Indiana Department of Local Government Finance. The budget ordinance as approved by the Indiana Department of Local Government Finance becomes the School's expenditures budget. The School's maximum tax levy is restricted by Indiana Law, with certain adjustments and exceptions. If the advertised budget exceeds the spending and tax limits of the state control laws, an excess levy can be granted by the Indiana Department of Local Government Finance, upon appeal by the School.
5. The legal level of budgetary control (the level at which expenditures may not exceed appropriations without the governing body's approval) is by object classification for all funds except for the Education and Operations Funds, which is by object classification within each department. The School's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the School Board. Any revisions that alter the total appropriations for any fund or any department of the General fund must be approved by the School Board and in some instances, by the Indiana Department of Local Government Finance.
6. Formal budgetary integration is required by the State Statute and is employed as a management control device. An annual budget was legally adopted for the following funds:

Major fund:

- Education
- Operations
- Debt Service
- Referendum – Operations
- 2020 First Mortgage
- Building Corporation Debt Service

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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### II. Pension Plans

- A. In 2019, there were no changes to the Plan that impacted the pension benefits during the fiscal year.

In 2019 pursuant to HEA 109 the years of service required to receive survivor benefits was reduced from 15 years to 10 years.

#### PERF Plan:

- a) The actuarial assumptions and methods used in the June 30, 2019 valuation of the Public Employees' Defined Benefit Account were adopted by the INPRS Board in May 2019. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2011 through June 30, 2014 and were first used in the June 30, 2015 valuation. The INPRS Board adopted a funding policy in April 2014, and the policy was last updated in October 2018.

#### TRF Plan:

- b) The actuarial assumptions and methods used in the June 30, 2019 valuation of the Teachers' 1996 Defined Benefit Account were adopted by the INPRS Board in May 2019. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2011 through June 30, 2014 and were first used in the June 30, 2015 valuation. The INPRS Board adopted a funding policy in April 2014, and the policy was last updated in October 2018.

#### Pre 96 TRF plan:

- c) The actuarial assumptions and methods used in the June 30, 2019 valuation of the Teachers' Pre-1996 Defined Benefit Account were adopted by the INPRS Board in May 2019. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2011 through June 30, 2014 and were first used in the June 30, 2015 valuation. The INPRS Board adopted a funding policy in April 2014, and the policy was last updated in October 2018.

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

III. OPEB Plan:

Cost method	Entry Age Normal Level % of Salary method
Amortization method	Level Dollar
Attribution period	30 years
<b>Assumptions</b>	
Discount rate	6.00% per annum
Discount rate basis	Building Block Method
Inflation rate	2.50% per annum
Investment return	6.00%
Disability	None assumed
Mortality and mortality improvement	Management and Support Staff: SOA Pub-2010 General Headcount Weighted Mortality Table fully Generational using Scale MP-2019
	Teachers; SOA Pub-2010 Teacher Headcount Weighted Mortality Table fully generational using Scale MP-2019
	Surviving Spouses: SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2019
Coverage rate	
Management:	30% if they retire prior to 55 and 100% if after 55
Teachers:	30% if they retire prior to age 55, 70% if after 55
Support Staff:	20%

Retirement rates are based on MSD of Wayne Township historical retirement in 2011/12 through 2015/16. Rates by group are shown below:

Age	Management	Teachers	Support Staff
50	0.0%	2.0%	4.0%
51-52	0.0%	2.0%	1.0%
53-54	0.0%	2.0%	2.0%
55-56	2.0%	7.0%	4.0%
57	2.0%	12.0%	4.0%
58	10.0%	12.0%	4.0%
59	10.0%	20.0%	4.0%
60	10.0%	25.0%	12.0%
61	20.0%	25.0%	10.0%
61	25.0%	40.0%	20.0%
63-64	20.0%	25.0%	15.0%
65-66	50.0%	50.0%	50.0%
67+	100.0%	100.0%	100.0%



**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2020

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Non-Major Funds
<b>ASSETS</b>				
Cash and investments	\$ 17,478,856	\$ 1,885	\$ 14,769,235	\$ 32,249,976
Receivables				
Intergovernmental receivable	2,397,902	-	-	2,397,902
Due from other funds	-	-	4,400,127	4,400,127
<b>TOTAL ASSETS</b>	<b>19,876,758</b>	<b>1,885</b>	<b>19,169,362</b>	<b>39,048,005</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities				
Accounts payable	337,904	41	-	337,945
Accrued wages and payroll withholding	1,390,887	-	-	1,390,887
Advances from other funds	1,992,077	272,048	7,112,763	9,376,888
<b>Total Liabilities</b>	<b>3,720,868</b>	<b>272,089</b>	<b>7,112,763</b>	<b>11,105,720</b>
Fund Balances				
Restricted	15,547,474	1,844	12,056,599	27,605,917
Committed	1,305,072	-	-	1,305,072
Unassigned (deficit)	(696,656)	(272,048)	-	(968,704)
<b>Total Fund Balances</b>	<b>16,155,890</b>	<b>(270,204)</b>	<b>12,056,599</b>	<b>27,942,285</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 19,876,758</b>	<b>\$ 1,885</b>	<b>\$ 19,169,362</b>	<b>\$ 39,048,005</b>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2020

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Non-Major Funds
<b>REVENUES</b>				
Local sources	\$ 16,807,472	\$ -	\$ -	\$ 16,807,472
State sources	4,572,197	-	-	4,572,197
Federal sources	24,473,949	-	-	24,473,949
Other	3,204	-	61,694	64,898
Total Revenues	<u>45,856,822</u>	<u>-</u>	<u>61,694</u>	<u>45,918,516</u>
<b>EXPENDITURES</b>				
Current				
Instruction	20,929,341	-	22,769	20,952,110
Support services	7,959,903	190,471	140,500	8,290,874
Community services	12,601,548	137,158	-	12,738,706
Facilities acquisition and construction	35,426	696,331	12,502,934	13,234,691
Nonprogrammed charges	2,814,740	41	7,110	2,821,891
Total Expenditures	<u>44,340,958</u>	<u>1,024,001</u>	<u>12,673,313</u>	<u>58,038,272</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,515,864</u>	<u>(1,024,001)</u>	<u>(12,611,619)</u>	<u>(12,119,756)</u>
<b>OTHER FINANCING SOURCES</b>				
Debt proceeds	-	-	30,280,000	30,280,000
Premiums on bonds	-	-	254,721	254,721
Sale of property	-	-	(266,261)	(266,261)
Transfer in	1,887,079	3,887,842	8,557,811	14,332,732
Transfer out	(1,887,079)	(3,135,930)	(23,106,612)	(28,129,621)
Total Other Financing Sources	<u>-</u>	<u>751,912</u>	<u>15,719,659</u>	<u>16,471,571</u>
Net change in fund balance	1,515,864	(272,089)	3,108,040	4,351,815
FUND BALANCE (DEFICIT) - Beginning of Year	<u>14,640,026</u>	<u>1,885</u>	<u>8,948,559</u>	<u>23,590,470</u>
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ 16,155,890</u>	<u>\$ (270,204)</u>	<u>\$ 12,056,599</u>	<u>\$ 27,942,285</u>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
June 30, 2020

	Referendum - 2019	Textbook Rental	Levy Excess	Wellness Program	ESEC	Cell Tower
<b>ASSETS</b>						
Cash and investments	\$ 3,385,233	\$ 321,866	\$ 36,120	\$ 50,455	\$ 33,047	\$ 17,142
Receivables						
Intergovernmental receivable	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>3,385,233</u>	<u>321,866</u>	<u>36,120</u>	<u>50,455</u>	<u>33,047</u>	<u>17,142</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities						
Accounts payable	1,100	-	-	-	3,320	-
Accrued wages and payroll withholding	59,720	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
<b>Total Liabilities</b>	<u>60,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,320</u>	<u>-</u>
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	3,324,413	321,866	-	-	-	-
Committed	-	-	36,120	50,455	29,727	17,142
Unassigned (deficit)	-	-	-	-	-	-
<b>Total Fund Balances</b>	<u>3,324,413</u>	<u>321,866</u>	<u>36,120</u>	<u>50,455</u>	<u>29,727</u>	<u>17,142</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 3,385,233</u>	<u>\$ 321,866</u>	<u>\$ 36,120</u>	<u>\$ 50,455</u>	<u>\$ 33,047</u>	<u>\$ 17,142</u>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
June 30, 2020

	Wayne Sports Park	Sanders COOP Funds	Child Care Grants	Alternative Education	Library - Lilly RO	2019-20 Library Grant
<b>ASSETS</b>						
Cash and investments	\$ 447,921	\$ -	\$ 809,771	\$ -	\$ 10,634	\$ 5,758
Receivables						
Intergovernmental receivable	-	430,653	-	-	-	-
<b>TOTAL ASSETS</b>	<b>447,921</b>	<b>430,653</b>	<b>809,771</b>	<b>-</b>	<b>10,634</b>	<b>5,758</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities						
Accounts payable	-	1,772	-	-	-	-
Accrued wages and payroll withholding	-	267,978	52,554	-	-	-
Advances from other funds	-	430,653	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>700,403</b>	<b>52,554</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	757,217	-	10,634	5,758
Committed	447,921	-	-	-	-	-
Unassigned (deficit)	-	(269,750)	-	-	-	-
<b>Total Fund Balances</b>	<b>447,921</b>	<b>(269,750)</b>	<b>757,217</b>	<b>-</b>	<b>10,634</b>	<b>5,758</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 447,921</b>	<b>\$ 430,653</b>	<b>\$ 809,771</b>	<b>\$ -</b>	<b>\$ 10,634</b>	<b>\$ 5,758</b>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
June 30, 2020

	18-21 Fairbanks					
	SE	Technology/Dell	Special Services	PBIS	Naviance	HSE (GED)
<b>ASSETS</b>						
Cash and investments	\$ 303,117	\$ 73,923	\$ 229	\$ 31,128	\$ 9,243	\$ 656
Receivables						
Intergovernmental receivable	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>303,117</b>	<b>73,923</b>	<b>229</b>	<b>31,128</b>	<b>9,243</b>	<b>656</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities						
Accounts payable	-	-	-	-	-	-
Accrued wages and payroll withholding	97,239	-	-	-	-	16,666
Advances from other funds	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>97,239</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,666</b>
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	205,878	73,923	-	31,128	-	-
Committed	-	-	229	-	9,243	-
Unassigned (deficit)	-	-	-	-	-	(16,010)
<b>Total Fund Balances</b>	<b>205,878</b>	<b>73,923</b>	<b>229</b>	<b>31,128</b>	<b>9,243</b>	<b>(16,010)</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 303,117</b>	<b>\$ 73,923</b>	<b>\$ 229</b>	<b>\$ 31,128</b>	<b>\$ 9,243</b>	<b>\$ 656</b>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
June 30, 2020

	2020 Adult Education	ECA Transportation	DECA District 8	2019-20 WTEF	Impact Youth Program	ECA Transportation
<b>ASSETS</b>						
Cash and investments	\$ 307,164	\$ 49,239	\$ 3,112	\$ 5,464	\$ 2,271	\$ -
Receivables						
Intergovernmental receivable	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>307,164</b>	<b>49,239</b>	<b>3,112</b>	<b>5,464</b>	<b>2,271</b>	<b>-</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities						
Accounts payable	-	-	-	-	-	-
Accrued wages and payroll withholding	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	307,164	-	-	-	-	-
Committed	-	49,239	3,112	5,464	2,271	-
Unassigned (deficit)	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>307,164</b>	<b>49,239</b>	<b>3,112</b>	<b>5,464</b>	<b>2,271</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 307,164</b>	<b>\$ 49,239</b>	<b>\$ 3,112</b>	<b>\$ 5,464</b>	<b>\$ 2,271</b>	<b>\$ -</b>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
June 30, 2020

	2019-20 CSFL Tech	E-Rate Technology	Technology Access	Project Lead the Way	Athletics Fund	2020 Esser
<b>ASSETS</b>						
Cash and investments	\$ -	\$ 43,307	\$ 171,503	\$ 2,400	\$ 298,720	\$ -
Receivables						
Intergovernmental receivable	<u>653,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>653,335</u>	<u>43,307</u>	<u>171,503</u>	<u>2,400</u>	<u>298,720</u>	<u>-</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities						
Accounts payable	390	-	-	-	-	2,272
Accrued wages and payroll withholding	-	-	-	-	-	-
Advances from other funds	<u>653,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<u>653,725</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,272</u>
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	43,307	171,503	2,400	298,720	-
Unassigned (deficit)	<u>(390)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,272)</u>
<b>Total Fund Balances</b>	<u>(390)</u>	<u>43,307</u>	<u>171,503</u>	<u>2,400</u>	<u>298,720</u>	<u>(2,272)</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 653,335</u>	<u>\$ 43,307</u>	<u>\$ 171,503</u>	<u>\$ 2,400</u>	<u>\$ 298,720</u>	<u>\$ -</u>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
June 30, 2020

	Donation Funds	Child Nutrition Grants	Vocational Grants	State Program Funds	Federal Programs	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>						
Cash and investments	\$ -	\$ 6,730,096	\$ 3,087,877	\$ 1,241,460	\$ -	\$ 17,478,856
Receivables						
Intergovernmental receivable	<u>247,395</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,066,519</u>	<u>2,397,902</u>
<b>TOTAL ASSETS</b>	<u>247,395</u>	<u>6,730,096</u>	<u>3,087,877</u>	<u>1,241,460</u>	<u>1,066,519</u>	<u>19,876,758</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities						
Accounts payable	-	-	106	256,508	72,436	337,904
Accrued wages and payroll withholding	32,801	177,103	16,337	99,886	570,603	1,390,887
Advances from other funds	<u>76,375</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>831,714</u>	<u>1,992,077</u>
<b>Total Liabilities</b>	<u>109,176</u>	<u>177,103</u>	<u>16,443</u>	<u>356,394</u>	<u>1,474,753</u>	<u>3,720,868</u>
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	-	6,552,993	3,071,434	885,066	-	15,547,474
Committed	138,219	-	-	-	-	1,305,072
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(408,234)</u>	<u>(696,656)</u>
<b>Total Fund Balances</b>	<u>138,219</u>	<u>6,552,993</u>	<u>3,071,434</u>	<u>885,066</u>	<u>(408,234)</u>	<u>16,155,890</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 247,395</u>	<u>\$ 6,730,096</u>	<u>\$ 3,087,877</u>	<u>\$ 1,241,460</u>	<u>\$ 1,066,519</u>	<u>\$ 19,876,758</u>

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS For the Year Ended June 30, 2020

	Referendum - 2019	Textbook Rental	Levy Excess	Wellness Program	ESEC	Cell Tower
<b>REVENUES</b>						
Local sources	\$ 5,669,886	\$ 192,339	\$ -	\$ -	\$ 38,552	\$ 7,200
State sources	-	943,675	-	-	-	-
Federal sources	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Revenues	<u>5,669,886</u>	<u>1,136,014</u>	<u>-</u>	<u>-</u>	<u>38,552</u>	<u>7,200</u>
<b>EXPENDITURES</b>						
Current						
Instruction	1,401,256	3,011	-	-	-	-
Support services	485,928	1,391,835	-	-	55,195	-
Community services	458,289	-	-	4,466	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total Expenditures	<u>2,345,473</u>	<u>1,394,846</u>	<u>-</u>	<u>4,466</u>	<u>55,195</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,324,413</u>	<u>(258,832)</u>	<u>-</u>	<u>(4,466)</u>	<u>(16,643)</u>	<u>7,200</u>
<b>OTHER FINANCING SOURCES</b>						
Transfer in	-	-	-	54,921	46,370	9,942
Transfer out	-	-	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,921</u>	<u>46,370</u>	<u>9,942</u>
Net change in fund balance	<u>3,324,413</u>	<u>(258,832)</u>	<u>-</u>	<u>50,455</u>	<u>29,727</u>	<u>17,142</u>
<b>FUND BALANCE (DEFICIT) -</b>						
Beginning of Year	<u>-</u>	<u>580,698</u>	<u>36,120</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ 3,324,413</u>	<u>\$ 321,866</u>	<u>\$ 36,120</u>	<u>\$ 50,455</u>	<u>\$ 29,727</u>	<u>\$ 17,142</u>

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS For the Year Ended June 30, 2020

	Wayne Sports Park	Sanders COOP Funds	Child Care Grants	Alternative Education	Library - Lilly RO	2019-20 Library Grant
<b>REVENUES</b>						
Local sources	\$ -	\$ 3,840,748	\$ 799,438	\$ -	\$ -	\$ 11,428
State sources	-	-	-	72,655	-	-
Federal sources	-	-	150,675	-	-	-
Other	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>3,840,748</u>	<u>950,113</u>	<u>72,655</u>	<u>-</u>	<u>11,428</u>
<b>EXPENDITURES</b>						
Current						
Instruction	-	2,562,500	67,034	72,655	-	-
Support services	-	1,297,949	421,735	-	-	15,786
Community services	-	-	335,315	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Nonprogrammed charges	-	63,564	-	-	-	-
Total Expenditures	<u>-</u>	<u>3,924,013</u>	<u>824,084</u>	<u>72,655</u>	<u>-</u>	<u>15,786</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(83,265)</u>	<u>126,029</u>	<u>-</u>	<u>-</u>	<u>(4,358)</u>
<b>OTHER FINANCING SOURCES</b>						
Transfer in	447,921	-	-	-	10,634	10,116
Transfer out	-	-	-	-	-	-
Total Other Financing Sources	<u>447,921</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,634</u>	<u>10,116</u>
Net change in fund balance	<u>447,921</u>	<u>(83,265)</u>	<u>126,029</u>	<u>-</u>	<u>10,634</u>	<u>5,758</u>
<b>FUND BALANCE (DEFICIT) -</b>						
Beginning of Year	<u>-</u>	<u>(186,485)</u>	<u>631,188</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ 447,921</u>	<u>\$ (269,750)</u>	<u>\$ 757,217</u>	<u>\$ -</u>	<u>\$ 10,634</u>	<u>\$ 5,758</u>

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS For the Year Ended June 30, 2020

	18-21 Fairbanks					
	SE	Technology/Dell	Special Services	PBIS	Naviance	HSE (GED)
<b>REVENUES</b>						
Local sources	\$ -	\$ 4,156	\$ 365	\$ -	\$ -	\$ 5,717
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>4,156</u>	<u>365</u>	<u>-</u>	<u>-</u>	<u>5,717</u>
<b>EXPENDITURES</b>						
Current						
Instruction	211,361	-	-	3,204	-	25,024
Support services	16,440	2,326	-	-	-	-
Community services	-	-	1,919	-	237	-
Facilities acquisition and construction	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total Expenditures	<u>227,801</u>	<u>2,326</u>	<u>1,919</u>	<u>3,204</u>	<u>237</u>	<u>25,024</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(227,801)</u>	<u>1,830</u>	<u>(1,554)</u>	<u>(3,204)</u>	<u>(237)</u>	<u>(19,307)</u>
<b>OTHER FINANCING SOURCES</b>						
Transfer in	784,079	72,093	1,783	34,332	9,480	3,297
Transfer out	<u>(350,400)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources	<u>433,679</u>	<u>72,093</u>	<u>1,783</u>	<u>34,332</u>	<u>9,480</u>	<u>3,297</u>
Net change in fund balance	<u>205,878</u>	<u>73,923</u>	<u>229</u>	<u>31,128</u>	<u>9,243</u>	<u>(16,010)</u>
<b>FUND BALANCE (DEFICIT) -</b>						
Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ 205,878</u>	<u>\$ 73,923</u>	<u>\$ 229</u>	<u>\$ 31,128</u>	<u>\$ 9,243</u>	<u>\$ (16,010)</u>

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS For the Year Ended June 30, 2020

	2020 Adult Education	ECA Transportation	DECA District 8	2019-20 WTEF	Impact Youth Program	ECA Transportation
<b>REVENUES</b>						
Local sources	\$ 400,000	\$ 8,150	\$ 1,258	\$ 12,893	\$ -	\$ 36,150
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Revenues	<u>400,000</u>	<u>8,150</u>	<u>1,258</u>	<u>12,893</u>	<u>-</u>	<u>36,150</u>
<b>EXPENDITURES</b>						
Current						
Instruction	92,836	-	-	7,429	-	-
Support services	-	6,119	-	-	-	41,257
Community services	-	-	378	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total Expenditures	<u>92,836</u>	<u>6,119</u>	<u>378</u>	<u>7,429</u>	<u>-</u>	<u>41,257</u>
Excess (deficiency) of revenues over (under) expenditures	<u>307,164</u>	<u>2,031</u>	<u>880</u>	<u>5,464</u>	<u>-</u>	<u>(5,107)</u>
<b>OTHER FINANCING SOURCES</b>						
Transfer in	-	47,208	2,232	-	2,271	-
Transfer out	-	-	-	-	-	(47,208)
Total Other Financing Sources	<u>-</u>	<u>47,208</u>	<u>2,232</u>	<u>-</u>	<u>2,271</u>	<u>(47,208)</u>
Net change in fund balance	<u>307,164</u>	<u>49,239</u>	<u>3,112</u>	<u>5,464</u>	<u>2,271</u>	<u>(52,315)</u>
<b>FUND BALANCE (DEFICIT) - Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,315</u>
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	<u>\$ 307,164</u>	<u>\$ 49,239</u>	<u>\$ 3,112</u>	<u>\$ 5,464</u>	<u>\$ 2,271</u>	<u>\$ -</u>

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS For the Year Ended June 30, 2020

	2019-20 CSFL Tech	E-Rate Technology	Technology Access	Project Lead the Way	Athletics Fund	2020 Esser
<b>REVENUES</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 492,381	\$ -
State sources	-	43,307	171,503	2,995	-	-
Federal sources	653,335	-	-	-	-	-
Other	-	-	-	-	-	-
Total Revenues	<u>653,335</u>	<u>43,307</u>	<u>171,503</u>	<u>2,995</u>	<u>492,381</u>	<u>-</u>
<b>EXPENDITURES</b>						
Current						
Instruction	-	-	-	-	-	2,272
Support services	653,725	-	-	595	-	-
Community services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	524,979	-
Total Expenditures	<u>653,725</u>	<u>-</u>	<u>-</u>	<u>595</u>	<u>524,979</u>	<u>2,272</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(390)</u>	<u>43,307</u>	<u>171,503</u>	<u>2,400</u>	<u>(32,598)</u>	<u>(2,272)</u>
<b>OTHER FINANCING SOURCES</b>						
Transfer in	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(390)</u>	<u>43,307</u>	<u>171,503</u>	<u>2,400</u>	<u>(32,598)</u>	<u>(2,272)</u>
<b>FUND BALANCE (DEFICIT) -</b>						
Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>331,318</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT) -</b>						
END OF YEAR	<u>\$ (390)</u>	<u>\$ 43,307</u>	<u>\$ 171,503</u>	<u>\$ 2,400</u>	<u>\$ 298,720</u>	<u>\$ (2,272)</u>

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS For the Year Ended June 30, 2020

	Child Nutrition		State Program		Total Nonmajor	
	Donation Funds	Grants	Vocational Grants	Funds	Federal Programs	Special Revenue Funds
<b>REVENUES</b>						
Local sources	\$ 600,209	\$ 502,308	\$ 3,989,145	\$ 191,560	\$ 3,589	\$ 16,807,472
State sources	51,560	36,666	-	3,249,836	-	4,572,197
Federal sources	1,295,477	10,319,448	36,208	-	12,018,806	24,473,949
Other	688	2,516	-	-	-	3,204
Total Revenues	<u>1,947,934</u>	<u>10,860,938</u>	<u>4,025,353</u>	<u>3,441,396</u>	<u>12,022,395</u>	<u>45,856,822</u>
<b>EXPENDITURES</b>						
Current						
Instruction	1,780,422	-	3,292,273	2,887,108	8,520,956	20,929,341
Support services	99,108	514	222,683	944,832	2,303,876	7,959,903
Community services	4,157	10,407,861	205,166	83,732	1,100,028	12,601,548
Facilities acquisition and construction	-	-	28,563	6,863	-	35,426
Nonprogrammed charges	-	548,981	1,523,158	-	154,058	2,814,740
Total Expenditures	<u>1,883,687</u>	<u>10,957,356</u>	<u>5,271,843</u>	<u>3,922,535</u>	<u>12,078,918</u>	<u>44,340,958</u>
Excess (deficiency) of revenues over (under) expenditures	<u>64,247</u>	<u>(96,418)</u>	<u>(1,246,490)</u>	<u>(481,139)</u>	<u>(56,523)</u>	<u>1,515,864</u>
<b>OTHER FINANCING SOURCES</b>						
Transfer in	350,400	-	-	-	-	1,887,079
Transfer out	(900,359)	-	-	(586,841)	(2,271)	(1,887,079)
Total Other Financing Sources	<u>(549,959)</u>	<u>-</u>	<u>-</u>	<u>(586,841)</u>	<u>(2,271)</u>	<u>-</u>
Net change in fund balance	<u>(485,712)</u>	<u>(96,418)</u>	<u>(1,246,490)</u>	<u>(1,067,980)</u>	<u>(58,794)</u>	<u>1,515,864</u>
<b>FUND BALANCE (DEFICIT) -</b>						
Beginning of Year	<u>623,931</u>	<u>6,649,411</u>	<u>4,317,924</u>	<u>1,953,046</u>	<u>(349,440)</u>	<u>14,640,026</u>
<b>FUND BALANCE (DEFICIT) -</b>						
END OF YEAR	<u>\$ 138,219</u>	<u>\$ 6,552,993</u>	<u>\$ 3,071,434</u>	<u>\$ 885,066</u>	<u>\$ (408,234)</u>	<u>\$ 16,155,890</u>

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS DEBT SERVICE FUNDS June 30, 2020

	Pension Debt Service	2017 First Mortgage	2018 GO Bond	Total Nonmajor Debt Service Funds
<b>ASSETS</b>				
Cash and investments	\$ 1,885	\$ -	\$ -	\$ 1,885
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	41	-	-	41
Advances from other funds	-	134,890	137,158	272,048
Total Liabilities	41	134,890	137,158	272,089
Fund Balances				
Restricted	1,844	-	-	1,844
Unassigned (deficit)	-	(134,890)	(137,158)	(272,048)
Total Fund Balances	1,844	(134,890)	(137,158)	(270,204)
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,885	\$ -	\$ -	\$ 1,885

## METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS DEBT SERVICE FUNDS For the Year Ended June 30, 2020

	Pension Debt Service	2017 First Mortgage	2018 GO Bond	Total Nonmajor Debt Service Funds
<b>EXPENDITURES</b>				
Current				
Support services	\$ -	\$ 149,920	\$ 40,551	\$ 190,471
Community services	-	-	137,158	137,158
Facilities acquisition and construction	-	516,993	179,338	696,331
Nonprogrammed charges	41	-	-	41
Total Expenditures	<u>41</u>	<u>666,913</u>	<u>357,047</u>	<u>1,024,001</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(41)</u>	<u>(666,913)</u>	<u>(357,047)</u>	<u>(1,024,001)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfer in	-	1,627,924	2,259,918	3,887,842
Transfer out	-	(1,095,901)	(2,040,029)	(3,135,930)
Total Other Financing Sources	<u>-</u>	<u>532,023</u>	<u>219,889</u>	<u>751,912</u>
Net change in fund balance	<u>(41)</u>	<u>(134,890)</u>	<u>(137,158)</u>	<u>(272,089)</u>
FUND BALANCE (DEFICIT) -				
Beginning of Year	<u>1,885</u>	<u>-</u>	<u>-</u>	<u>1,885</u>
FUND BALANCE (DEFICIT) -				
END OF YEAR	<u>\$ 1,844</u>	<u>\$ (134,890)</u>	<u>\$ (137,158)</u>	<u>\$ (270,204)</u>

# METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS CAPITAL PROJECT FUNDS June 30, 2020

	2019 GO Bond	2019 First Mortgage	Construction Funds	Total Nonmajor Capital Project Funds
<b>ASSETS</b>				
Cash and investments	\$ 6,780,988	\$ -	\$ 7,988,247	\$ 14,769,235
Due from other funds	-	4,400,127	-	4,400,127
Total assets	\$ 6,780,988	\$ 4,400,127	\$ 7,988,247	\$ 19,169,362
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Advances from other funds	-	2,712,636	4,400,127	7,112,763
Fund Balances				
Restricted	6,780,988	1,687,491	3,588,120	12,056,599
Unassigned (deficit)	-	-	-	-
Total Fund Balances	6,780,988	1,687,491	3,588,120	12,056,599
TOTAL LIABILITIES AND FUND BALANCES	\$ 6,780,988	\$ 4,400,127	\$ 7,988,247	\$ 19,169,362

## METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS CAPITAL PROJECT FUNDS For the Year Ended June 30, 2020

	2019 GO Bond	2019 First Mortgage	Construction Funds	Total Nonmajor Capital Project Funds
<b>REVENUES</b>				
Other	\$ -	\$ -	\$ 61,694	\$ 61,694
<b>EXPENDITURES</b>				
Current				
Instruction	-	22,769	-	22,769
Support services	128,020	12,480	-	140,500
Facilities acquisition and construction	3,355,465	1,658,827	7,488,642	12,502,934
Nonprogrammed charges	-	-	7,110	7,110
Total Expenditures	<u>3,483,485</u>	<u>1,694,076</u>	<u>7,495,752</u>	<u>12,673,313</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,483,485)</u>	<u>(1,694,076)</u>	<u>(7,434,058)</u>	<u>(12,611,619)</u>
<b>OTHER FINANCING SOURCES</b>				
Debt proceeds	10,055,000	-	20,225,000	30,280,000
Premium on bonds	254,721	-	-	254,721
Sale of property	(45,248)	-	(221,013)	(266,261)
Transfer in	-	4,400,127	4,157,684	8,557,811
Transfer out	-	(1,018,560)	(22,088,052)	(23,106,612)
Total Other Financing Sources	<u>10,264,473</u>	<u>3,381,567</u>	<u>2,073,619</u>	<u>15,719,659</u>
Net change in fund balance	<u>6,780,988</u>	<u>1,687,491</u>	<u>(5,360,439)</u>	<u>3,108,040</u>
FUND BALANCE (DEFICIT) - Beginning of Year	<u>-</u>	<u>-</u>	<u>8,948,559</u>	<u>8,948,559</u>
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ 6,780,988</u>	<u>\$ 1,687,491</u>	<u>\$ 3,588,120</u>	<u>\$ 12,056,599</u>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
June 30, 2020

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<b>ASSETS</b>	Achieve Virtual Education	Ben Davis University	Ben Davis 9th Grade Center	Ben Davis Highschool	Bridgeport Elementary
Cash and cash equivalents	\$ 2,661	\$ 24,428	\$ 132,417	\$ 520,152	\$ 17,331
<b>LIABILITIES</b>					
Accounts payable	-	-	-	-	-
<b>NET POSITION</b>					
Net Position - Ending	\$ 2,661	\$ 24,428	\$ 132,417	\$ 520,152	\$ 17,331

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
June 30, 2020

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<b>ASSETS</b>	Chapel Glen Elementary	Chapel Hill 7th/8th Grade Center	Chapelwood Elementary	Education Center Admin	Garden City Elementary
Cash and cash equivalents	\$ 18,862	\$ 60,223	\$ 25,489	\$ 53,106	\$ 30,612
<b>LIABILITIES</b>					
Accounts payable	-	-	-	-	-
<b>NET POSITION</b>					
Net Position - Ending	<u>\$ 18,862</u>	<u>\$ 60,223</u>	<u>\$ 25,489</u>	<u>\$ 53,106</u>	<u>\$ 30,612</u>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
June 30, 2020

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	Lynhurst 7th/8th Grade Center	Maplewood Elementary	McClelland Elementary	North Wayne Elementary	Rhoades Elementary	Robey Elementary
<b>ASSETS</b>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Cash and cash equivalents	\$ 59,803	\$ 30,923	\$ 32,302	\$ 23,375	\$ 29,356	\$ 48,309
<b>LIABILITIES</b>						
Accounts payable	<u>                    -</u>	<u>                    -</u>	<u>                    -</u>	<u>                    -</u>	<u>                    -</u>	<u>                    -</u>
<b>NET POSITION</b>						
Net Position - Ending	<u>\$ 59,803</u>	<u>\$ 30,923</u>	<u>\$ 32,302</u>	<u>\$ 23,375</u>	<u>\$ 29,356</u>	<u>\$ 48,309</u>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
June 30, 2020

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<b>ASSETS</b>	<u>Sanders School</u>	<u>Stout Field Elementary</u>	<u>Transportation Center</u>	<u>Wayne Prepatory Academy</u>	<u>Wayne Township Preschool</u>
Cash and cash equivalents	\$ 3,852	\$ 58,896	\$ 8,694	\$ 4,492	\$ 11,229
<b>LIABILITIES</b>					
Accounts payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>					
Net Position - Ending	<u>\$ 3,852</u>	<u>\$ 58,896</u>	<u>\$ 8,694</u>	<u>\$ 4,492</u>	<u>\$ 11,229</u>

**METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP**

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
June 30, 2020

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<b>ASSETS</b>	<u>Westlake Elementary</u>	<u>Health Insurance Clearing</u>	<u>Criminal History Clearing</u>	<u>Flexible Spending</u>	<u>Totals</u>
Cash and cash equivalents	\$ 9,839	\$ -	\$ -	\$ 142,086	\$ 1,348,437
<b>LIABILITIES</b>					
Accounts payable	<u>-</u>	<u>438</u>	<u>589</u>	<u>-</u>	<u>1,027</u>
<b>NET POSITION</b>					
Net Position - Ending	<u>\$ 9,839</u>	<u>\$ (438)</u>	<u>\$ (589)</u>	<u>\$ 142,086</u>	<u>\$ 1,347,410</u>

## METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS For the Year Ended June 30, 2020

	Achieve Virtual Education	Ben Davis University	Ben Davis 9th Grade Center	Ben Davis Highschool	Bridgeport Elementary	Chapel Glen Elementary	Chapel Hill 7th/8th Grade Center
<b>ADDITIONS</b>							
Student receipts	\$ 2,128	\$ 17,440	\$ 112,640	\$ 133,099	\$ 3,651	\$ 15,271	\$ 11,708
Fundraisers	-	2,121	28,972	1,786	-	-	-
Other	24	16,512	38,081	725,982	28,285	13,603	62,857
	<u>2,152</u>	<u>36,073</u>	<u>179,693</u>	<u>860,867</u>	<u>31,936</u>	<u>28,874</u>	<u>74,565</u>
Total additions							
<b>DEDUCTIONS</b>							
Student activities	1,266	28,266	68,884	116,304	3,896	15,765	10,876
Support services	-	2,565	7,614	90,249	2,363	-	15,444
Instruction	-	16,803	58,303	501,653	21,361	7,438	47,106
Other	-	2,538	4,465	153,935	796	1,100	664
	<u>1,266</u>	<u>50,172</u>	<u>139,266</u>	<u>862,141</u>	<u>28,416</u>	<u>24,303</u>	<u>74,090</u>
Total deductions							
Changes in net position	886	(14,099)	40,427	(1,274)	3,520	4,571	475
NET POSITION - Beginning	<u>1,775</u>	<u>38,527</u>	<u>91,990</u>	<u>521,426</u>	<u>13,811</u>	<u>14,291</u>	<u>59,748</u>
NET POSITION - ENDING	<u>\$ 2,661</u>	<u>\$ 24,428</u>	<u>\$ 132,417</u>	<u>\$ 520,152</u>	<u>\$ 17,331</u>	<u>\$ 18,862</u>	<u>\$ 60,223</u>

## METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS For the Year Ended June 30, 2020

	Chapelwood Elementary	Education Center Admin	Garden City Elementary	Lynhurst 7th/8th Grade Center	Maplewood Elementary	McClelland Elementary	North Wayne Elementary
<b>ADDITIONS</b>							
Student receipts	\$ 8,367	\$ -	\$ 3,084	\$ 3,200	\$ 9,067	\$ 9,170	\$ 6,840
Fundraisers	-	-	195	885	-	194	-
Other	<u>37,651</u>	<u>113,562</u>	<u>20,310</u>	<u>91,250</u>	<u>23,547</u>	<u>18,848</u>	<u>12,479</u>
Total additions	<u>46,018</u>	<u>113,562</u>	<u>23,589</u>	<u>95,335</u>	<u>32,614</u>	<u>28,212</u>	<u>19,319</u>
<b>DEDUCTIONS</b>							
Student activities	6,863	-	2,567	4,344	14,295	7,714	6,518
Support services	1,865	128,331	1,995	6,222	4,185	3,551	2,115
Instruction	30,668	-	14,634	75,816	18,723	13,727	11,004
Other	<u>54</u>	<u>-</u>	<u>4</u>	<u>2,689</u>	<u>40</u>	<u>1,294</u>	<u>-</u>
Total deductions	<u>39,450</u>	<u>128,331</u>	<u>19,200</u>	<u>89,071</u>	<u>37,243</u>	<u>26,286</u>	<u>19,637</u>
Changes in net position	6,568	(14,769)	4,389	6,264	(4,629)	1,926	(318)
NET POSITION - Beginning	<u>18,921</u>	<u>67,875</u>	<u>26,223</u>	<u>53,539</u>	<u>35,552</u>	<u>30,376</u>	<u>23,693</u>
NET POSITION - ENDING	<u>\$ 25,489</u>	<u>\$ 53,106</u>	<u>\$ 30,612</u>	<u>\$ 59,803</u>	<u>\$ 30,923</u>	<u>\$ 32,302</u>	<u>\$ 23,375</u>

## METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS For the Year Ended June 30, 2020

	Rhoades Elementary	Robey Elementary	Sanders School	Stout Field Elementary	Transportation Center	Wayne Preparatory Academy	Wayne Township Preschool
<b>ADDITIONS</b>							
Student receipts	\$ 2,605	\$ 7,806	\$ -	\$ 9,998	\$ -	\$ -	\$ 1,220
Fundraisers	87	2,170	-	-	-	-	4,576
Other	<u>23,780</u>	<u>43,563</u>	<u>543</u>	<u>17,220</u>	<u>3,706</u>	<u>49</u>	<u>3,474</u>
Total additions	<u>26,472</u>	<u>53,539</u>	<u>543</u>	<u>27,218</u>	<u>3,706</u>	<u>49</u>	<u>9,270</u>
<b>DEDUCTIONS</b>							
Student activities	2,036	-	217	11,050	-	-	1,229
Support services	4,279	5,502	345	2,879	1,076	-	3,028
Instruction	21,352	35,378	-	7,356	-	-	3,464
Other	<u>719</u>	<u>1,251</u>	<u>-</u>	<u>769</u>	<u>2,575</u>	<u>-</u>	<u>-</u>
Total deductions	<u>28,386</u>	<u>42,131</u>	<u>562</u>	<u>22,054</u>	<u>3,651</u>	<u>-</u>	<u>7,721</u>
Changes in net position	(1,914)	11,408	(19)	5,164	55	49	1,549
NET POSITION - Beginning	<u>31,270</u>	<u>36,901</u>	<u>3,871</u>	<u>53,732</u>	<u>8,639</u>	<u>4,443</u>	<u>9,680</u>
NET POSITION - ENDING	<u>\$ 29,356</u>	<u>\$ 48,309</u>	<u>\$ 3,852</u>	<u>\$ 58,896</u>	<u>\$ 8,694</u>	<u>\$ 4,492</u>	<u>\$ 11,229</u>

## METROPOLITAN SCHOOL DISTRICT OF WAYNE TOWNSHIP

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS For the Year Ended June 30, 2020

	Westlake Elementary	Health Insurance Clearing	Criminal History Clearing	Flexible Spending	Total
<b>ADDITIONS</b>					
Student receipts	\$ 40	\$ -	\$ -	\$ -	\$ 357,334
Fundraisers	-	-	-	-	40,986
Other	16,745	-	-	193,620	1,505,691
	<u>16,785</u>	<u>-</u>	<u>-</u>	<u>193,620</u>	<u>1,904,011</u>
<b>DEDUCTIONS</b>					
Student activities	312	-	-	-	302,402
Support services	2,039	-	-	-	285,647
Instruction	12,331	-	-	-	897,117
Other	91	438	589	144,452	318,463
	<u>14,773</u>	<u>438</u>	<u>589</u>	<u>144,452</u>	<u>1,803,629</u>
Changes in net position	2,012	(438)	(589)	49,168	100,382
NET POSITION - Beginning	<u>7,827</u>	<u>-</u>	<u>-</u>	<u>92,918</u>	<u>1,247,028</u>
NET POSITION - ENDING	<u>\$ 9,839</u>	<u>\$ (438)</u>	<u>\$ (589)</u>	<u>\$ 142,086</u>	<u>\$ 1,347,410</u>