

**WESTWOOD COMMUNITY SCHOOL DISTRICT**

**FINANCIAL REPORT  
WITH SUPPLEMENTAL INFORMATION**

**JUNE 30, 2019**

# WESTWOOD COMMUNITY SCHOOL DISTRICT

## Contents

|  | <u>Page No.</u>               |
|--|-------------------------------|
| Independent Auditor's Report .....   | 1                             |
| Management's Discussion and Analysis .....   | 4                             |
| <b>Basic Financial Statements</b>  |                               |
| District-Wide Financial Statements:  |                               |
| Statement of Net Position.....   | 13                            |
| Statement of Activities .....  | 14                            |
| Fund Financial Statements:   |                               |
| Balance Sheet – Governmental Funds.....  | 15                            |
| Reconciliation of Balance Sheet of Governmental Funds<br>to the Statement of Net Position .....  | 16                            |
| Statement of Revenue, Expenditures and Changes in<br>Fund Balances Governmental Funds .....  | 17                            |
| Reconciliation of the Statement of Revenue, Expenditures and Changes in<br>Fund Balances of Governmental Funds to the Statement of Activities..... | 18                            |
| <b>Fiduciary Funds</b>   |                               |
| Statement of Net Position.....   | 19                            |
| Statement of Changes in Net Position .....   | 20                            |
| Notes to Financial Statements .....  | 21                            |
| <b>Required Supplemental Information</b>   |                               |
| Budgetary Comparison Schedule – General Fund.....  | 45                            |
| Schedule of the School District's Proportionate Share of the Net Pension Liability .....   | 46                            |
| Schedule of the School District's Pension Contribution .....   | 47                            |
| Schedule of the School District's Proportionate Share of the Net OPEB Liability .....  | 48                            |
| Schedule of the School District OPEB Contributions .....   | 49                            |
| Notes to Pension Required Supplemental Information Schedules.....  | 50                            |
| <b>Other Supplemental Information</b>  |                               |
| Combining Balance Sheet – Nonmajor Governmental Funds .....  | 52                            |
| Combining Statement of Revenue, Expenditures and Changes in Fund<br>Balances - Nonmajor Governmental Funds .....                                   | 53                            |
| General Fund:  |                               |
| Balance Sheet .....  | 54                            |
| Statement of Changes in Fund Balances .....  | 55                            |
| Statement of Revenue.....  | 56                            |
| Statement of Expenditures .....  | 57                            |
| Special Revenue Fund:  |                               |
| Statement of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual .....   | 64                            |
| Capital Project Funds:   |                               |
| Combining Balance Sheet.....   | 65                            |
| Combining Statement of Revenue, Expenditures and Changes in Fund Balance.....  | 66                            |
| Budgetary Comparison Schedule – Building and Site Fund .....   | 67                            |
| Trust and Agency Funds   |                               |
| Statement of Net Position.....   | 68                            |
| Statement of Revenue, Expenditures and Changes in Net Position –<br>Private Purpose Funds.....   | 69                            |
| Schedule of Receipts and Disbursements and Changes in Liability – Agency Funds.....  | 70                            |
| <b>Federal Awards Supplemental Information</b> .....   | Included under Separate Cover |



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Education  
Westwood Community School District  
Dearborn Heights, Michigan

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Westwood Community School District (the School District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School District as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of proportionate share of net pension liability and contributions, and schedules of proportionate share of net OPEB liability and contributions, as identified 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. 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 District's basic financial statements. The other supplemental information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplemental information, as identified in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 other supplemental information, as identified in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Independent Auditor's Report  
(Continued)

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2019, on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

*Alan C. Young; Assoc.*

Detroit, Michigan  
October 31, 2019

# **WESTWOOD COMMUNITY SCHOOL DISTRICT**

**Management's Discussion and Analysis (MD&A)  
June 30, 2019**

This section of the Westwood Community School District's (the School District) annual financial report presents our discussion and analysis of the School District's financial performance during the fiscal year that ended on June 30, 2019. Please read it in conjunction with the School District's financial statements, which immediately follow this section.

This reporting model was adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 2000. Certain comparative information between the current year and the prior year is required and is presented in the Management's Discussion and Analysis.

## **Using this Annual Report**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Westwood Community School District financially as a whole. The *District-wide Financial Statements* provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. The fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements look at the School District's operations in more detail than the district-wide financial statements by providing information about the School District's most significant fund – the General Fund, with all other funds presented in one column as Non-Major Governmental Funds. The remaining statement, the Statement of Fiduciary Net Position, presents financial information about activities for which the School District acts solely as an agent for the benefit of students and parents.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. The following comments show how the various parts of the annual report are arranged and related to one another

## **Organization of Westwood Community School District's Annual Financial Report**

*Management's Discussion & Analysis (MD&A)*

Basic Financial Statements

*District-wide Financial Statements*

*Fund Financial Statements*

*Notes to the Basic Financial Statements*

*(Required Supplemental Information)*

*Budgetary Information for General Fund*

*Schedule of School District's Proportionate Share of Net Liability*

*Schedule of School District's Proportionate Share of OPEB Liability*

*Schedule of School District's Contributions*

*Other Supplemental Information*

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Management's Discussion and Analysis (MD&A) (Continued)  
June 30, 2019

## Reporting the School District as a Whole - District-wide Financial Statements

One of the most important questions asked about the School District is, "As a whole, is the School District better off or worse off financially as a result of the year's activities?" The Statement of Net Position and the Statement of Activities, which appear first in the School District's financial statements, report information on the School District as a whole, and its activities, in a way that helps you answer this question. We prepare these statements to include all assets and liabilities, using the *accrual basis of accounting*, which is similar to the accounting method used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School District's *net position* - the difference between assets and liabilities, as reported in the Statement of Net Position - as one way to measure the School District's financial health, or *financial position*. Over time, *increases or decreases* in the School District's net position - as reported in the Statement of Activities - are one indicator of whether its *financial health* is improving or deteriorating. The relationship between revenues and expenses is the School District's *operating results*. However, the School District's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of the education provided and the safety of the schools to assess the *overall health* of the School District.

The Statement of Net Position and Statement of Activities report the governmental activities for the School District, which encompass all of the School District's services, including instruction, supporting services, athletics, food services and capital improvement projects. Property taxes, foundation allowance revenue, and state and federal grants finance most of these activities.

## Reporting the School District's Most Significant Funds – Fund Financial Statements

The School District's fund financial statements provide detailed information about the most *significant funds* - not the School District as a whole. Some funds are required to be established by State law and by bond covenants. However, the School District establishes many other funds to help it control and manage money for particular purposes (like the Cafeteria Fund) or to show that it is meeting legal responsibilities for using certain taxes and other money (like Sinking Fund taxes received from the local taxing entities for use on capital projects). The governmental funds of the School District use the following accounting approach:

Governmental Funds - All of the School District's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the operations of the School District and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* in a reconciliation

# **WESTWOOD COMMUNITY SCHOOL DISTRICT**

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## **Management's Discussion and Analysis (MD&A) (Continued)**

**June 30, 2019**

### **The School District as Trustee - Reporting the School District's Fiduciary Responsibilities**

The School District is the trustee, or *fiduciary* for its student activity funds. All of the School District's fiduciary activities are reported in a separate Statement of Net Position. We exclude these activities from the School District's other financial statements because the School District cannot use these assets to finance its operations. The School District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

### **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.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. This is limited to the management's discussion and analysis, budgetary comparison schedule – General Fund and the schedules for the Michigan Public School Employees Retirement System ("MPERS") immediately following the notes to the financial statements. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplemental information.

### **The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position as of June 30, 2019 and 2018:



# WESTWOOD COMMUNITY SCHOOL DISTRICT

## Management's Discussion and Analysis (MD&A) (Continued) June 30, 2019

TABLE 1

|   | <u>2019</u>     | <u>2018</u>     |
|---|-----------------|-----------------|
|   | (in millions)   | (in millions)   |
| <b>ASSETS</b>   |                 |                 |
| Current Assets  | \$ 8.29         | \$ 7.52         |
| Capital Assets - Net of Accumulated Depreciation            | 4.49            | 4.84            |
| <b>Total Assets</b>   | <u>12.78</u>    | <u>12.36</u>    |
| Deferred Outflows of Resources                              | 12.13           | 7.49            |
| <b>Total Assets and Deferred Outflows of Resources</b>      | <u>\$ 24.91</u> | <u>\$ 19.85</u> |
| <b>LIABILITIES</b>  |                 |                 |
| Current Liabilities   | 5.48            | 6.64            |
| Long-Term Liabilities                                       | 40.50           | 39.37           |
| <b>Total Liabilities</b>                                    | <u>45.98</u>    | <u>46.01</u>    |
| Deferred Inflows of Resources                               | 8.21            | 5.50            |
| <b>Total Liabilities and Deferred Inflows of Resources</b>  | <u>54.19</u>    | <u>51.51</u>    |
| <b>NET POSITION</b>   |                 |                 |
| Net Investment in Capital Assets                            | 3.89            | 4.14            |
| Restricted  | 0.58            | 0.58            |
| Unrestricted  | (33.75)         | (36.38)         |
| <b>Total Net Position</b>                                   | <u>(29.28)</u>  | <u>(31.66)</u>  |
| <b>Total Liabilities, Deferred Inflows and Net Position</b> | <u>\$ 24.91</u> | <u>\$ 19.85</u> |

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Management's Discussion and Analysis (MD&A) (Continued)  
June 30, 2019

## The School District as a Whole (Continued)

The above analysis focuses on the net position (see Table 1). The change in net position (see Table 2) of the School District's governmental activities is discussed below. At the end of the current fiscal year, the School District is reporting a positive balance in net position for capital assets net of related debt, restricted for debt services and food service program. The remaining net position is negative.

The results of this year's operations for the School District as a whole are reported in the Statement of Activities (see Table 2), which shows the changes in net position for fiscal year ending June 30, 2019. The fiscal year 2019 revenue and expenses are also compared to fiscal year 2018:

TABLE 2

|  | <u>2019</u>    | <u>2018</u>    |
|--|----------------|----------------|
|  | (in millions)  | (in millions)  |
| <b>REVENUES</b>                                |                |                |
| General Revenue                                |                |                |
| Property Taxes Levied for General Purposes     | \$ 3.32        | \$ 3.21        |
| State Aid not Restricted for Specific Purposes | 12.14          | 13.18          |
| Other  | 0.84           | 0.47           |
| Program Revenue                                |                |                |
| Grants and Categoricals                        | 7.27           | 6.90           |
| Charges for Services                           | 0.06           | 0.06           |
| <b>Total Revenue</b>                           | <u>23.63</u>   | <u>23.82</u>   |
| <b>FUNCTION/PROGRAM EXPENSES</b>               |                |                |
| Instruction                                    | 11.10          | 11.96          |
| Support Services                               | 8.56           | 8.83           |
| Food Services                                  | 1.16           | 1.11           |
| Depreciation (unallocated)                     | 0.43           | 0.43           |
| <b>Total Expenses</b>                          | <u>21.25</u>   | <u>22.33</u>   |
| Change in Net Position                         | <u>\$ 2.38</u> | <u>\$ 1.49</u> |

# **WESTWOOD COMMUNITY SCHOOL DISTRICT**

## **Management's Discussion and Analysis (MD&A) (Continued)**

**June 30, 2019**

### **The School District as a Whole (Continued)**

As reported in the Statement of Activities, the cost of all of our *governmental* activities this year was \$21.25 million. Certain activities were partially funded from those who benefited from the programs (\$0.06 million) or by other governments and organizations that subsidized certain programs with grants and categorical (\$7.27 million). The School District paid for the remaining "public benefit" portion of our governmental activities with \$3.32 million in taxes and \$12.14 million in state aid not restricted for specific purposes.

The School District experienced an increase in net position of \$2.38 million. Key reasons for the change in net position were largely due to the additional revenue generated by the Wayne County Enhancement Millage Levy approved by voters in November 2016 and a net decrease in the overall expenses. The increase in net position differs from the change in fund balance, and a reconciliation appears on page 17.

As discussed above, the net costs show the financial burden that was placed on the State and the School District's taxpayers by each of these functions. Since property taxes for operations and unrestricted State aid constitute the vast majority of School District operating revenue sources, the Board of Education and Administration must annually evaluate the needs of the School District and balance those needs with State-prescribed available unrestricted resources.

### **The School District's Funds**

As we noted earlier, the School District uses funds to help control and manage money for particular purposes. Looking at funds helps you consider whether the School District is being accountable for the resources taxpayers and others provide, but may also give you more insight into the School District's overall financial health.

As the School District completed this year, our governmental funds reported a combined fund surplus of \$2,939,127, as compared to last year's surplus of \$990,542. This is due mainly to the following:

- The General Fund had a net increase in the total fund balance of \$1,954,965, resulting from more effective management of the School District.
- Other Governmental Funds, which includes the Cafeteria Fund (food services) and the Capital Projects Fund (Sinking Fund), had decrease of \$6,380.

### **General Fund Budgetary Highlights**

The School District's original budget for the 2018-2019 fiscal year was adopted in June, 2018, and a budget amendment for fiscal year 2018-19 was adopted in June, 2019. There were variations between the budget and actual results. A schedule showing the School District's budget amounts compared with amounts actually paid and received is provided in our annual report.

The actual revenues came in over budget for local sources due to higher than anticipated delinquent tax collections. Intermediate source revenue was higher than anticipated due to additional revenue received from Medicaid fee for services and higher than anticipated Act 18 revenue. State source revenue was higher than anticipated due to the amount of MPSERS UAAL Rate Stabilization reimbursement received. Federal source revenue was less than budget due to timing differences in our Title I, Title IIA and IDEA Flowthrough grants.

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Management's Discussion and Analysis (MD&A) (Continued)  
June 30, 2019

## General Fund Budgetary Highlights (Continued)

Actual expenditures in the Basic Program category were under budget due to lower than expected personnel costs in Elementary and Middle School programs. Added Needs expenditures were under budget due to timing differences, primarily in the Title I and Title IIA grant areas and extensive use of contractors and substitutes used to fill vacant positions. The Pupil Support area came in under budget due to lower than anticipated fringe benefit costs. The Instructional Staff category was under budget due to the timing of Title I expenditures for purchased services and supplies. Pupil Transportation expenditures were under budget due to lower than anticipated student transportation costs. Overall, district wide expenditures were under the total budget and as a result, the district achieved an overall operating surplus in excess of \$1.9 million.

## Capital Assets and Debt Administration

### Capital Assets

The School District's net investment in capital assets decreased during the year by \$348,784 which is summarized below:

|                                    | <b>Governmental Activities</b> |                     |
|------------------------------------|--------------------------------|---------------------|
|                                    | <b>2019</b>                    | <b>2018</b>         |
| Land                               | \$ 283,079                     | \$ 283,079          |
| Building and Building Improvements | 4,049,304                      | 4,346,800           |
| Furniture and Equipment            | 160,242                        | 211,530             |
| <b>Total Capital Assets</b>        | <b>\$ 4,492,625</b>            | <b>\$ 4,841,409</b> |

Current year depreciation was \$429,801.

### Debt

At the end of this year, the School District had \$600,000 in bonds outstanding versus \$700,000 last year. Those bonds consisted of the following:

|              | <b>2019</b>       | <b>2018</b>       |
|--------------|-------------------|-------------------|
| Energy Bonds | \$ 600,000        | \$ 700,000        |
|              | <b>\$ 600,000</b> | <b>\$ 700,000</b> |

Other obligations include accrued vacation pay and sick leave payable to employees. There is more detailed information about our long-term liabilities in the *Notes to the Financial Statements*.

# **WESTWOOD COMMUNITY SCHOOL DISTRICT**

## **Management's Discussion and Analysis (MD&A) (Continued)**

**June 30, 2019**

### **Economic Factors and Next Year's Budgets and Rates**

At the time these financial statements were prepared and audited, the School District was aware of several on-going circumstances that could significantly affect its financial health in the future:

- The primary factor affecting the budget is our student count. The state foundation revenue is determined by multiplying the blended student count by the foundation allowance per pupil. The blended count for the 2019 fiscal year was 90% of the October, 2018 student count and 10% of the February, 2019 student counts, respectively. However, uncertainty due to a decline in the overall student count places the School District in a challenging position. The School District must budget for sufficient staff and other expenditures, even though enough students may not enroll to produce the state foundation revenue needed to pay those expenses.
- The 2018-2019 budget was adopted in June, 2018, based on an estimate of students that were expected to be enrolled in September, 2018. For fiscal year 2018-19, approximately 48% of total revenues were derived from the foundation allowance, and 66% of total revenue was generated from overall State Aid. Based on the October, 2019 preliminary student count, it appears that the fall student count will be lower than projected in the appropriations budget for 2019-2020, which is consistent with prior year's trend data. This difference will require a budget amendment after the fall count is finalized.
- The Michigan legislature has passed the state's budget for fiscal year 2019-20. A \$210 per pupil increase, as compared to the 2010-11 foundation allowance of \$8,275; is in effect for the 2019-20 school year. This is the second time in the last nine years that the district has received an increase in the foundation allowance, as compared to the 2010-11 base year foundation allowance. Despite the increase in the foundation allowance, the district will continue to implement appropriate staff reduction initiatives when and where necessary, retain privatization of supporting services and other maintain stringent cost control measures while continuing our focus on educational services to help mitigate the reduction in revenue. These measures will remain in place due to the decline in student count. In addition, both the FY 2019-20 Title I and Title IIA allocations are expected to be lower than the respective FY 2018-19 allocations. Finally, certain one-time revenue items recorded in local sources such as a MAISL surplus distribution and a reimbursement from the Michigan Department of Treasury are not anticipated to be received during FY 2019-20. Further decreases in funding for the 2019-20 fiscal year are not anticipated at this time.
- The state's economic position has affected the state's ability to provide adequate school funding, although the state has improved funding for 2019-20. Additionally, the economic downturn and the number of local mortgage foreclosures although somewhat stabilized, have contributed to the departure of a number of families and students from the local area. This is a statewide phenomenon and has contributed to the reduction in the student count which generates state foundation revenue.

# **WESTWOOD COMMUNITY SCHOOL DISTRICT**

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## **Management's Discussion and Analysis (MD&A) (Continued)**

**June 30, 2019**

### **Economic Factors and Next Year's Budgets and Rates (Continued)**

- The 3-mill Sinking Fund levy approved by Westwood Community School District voters in 1997 was not renewed in the election held in May, 2007. The School District has continued to finance capital projects with the remainder of the funds generated by the millage levy. However, these funds were depleted during FY 2018-19, therefore capital projects will have to be delayed, curtailed, or financed with general fund dollars. This latter possibility would reduce the funds that could be spent on instructional needs. The School District is considering asking voters to reinstate the Sinking Fund levy for capital projects in the School District, and has taken preliminary steps towards this initiative.

Despite the economic climate and the financial situation, our elected officials and administration continue to monitor the budget very closely as we endeavor to balance revenue and expenditures to meet their fiscal responsibilities to their taxpayers, citizens, investors, and creditors. In conjunction with monitoring the budget very closely, the Board of Education and District leadership continues to keep its primary focus on the effective delivery of instruction while providing an environment conducive to learning for the students of the Westwood Community School District.

### **Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Business Office, Westwood Community School District, 3335 S. Beech Daly, Dearborn Heights, Michigan 48125.

# WESTWOOD COMMUNITY SCHOOL DISTRICT

## Statement of Net Position June 30, 2019

|   | <b>GOVERNMENTAL<br/>ACTIVITIES</b> |
|---|------------------------------------|
| <b>ASSETS</b>   |                                    |
| <b>Current Assets</b>                                       |                                    |
| Cash  | \$ 1,449,955                       |
| Petty Cash  | 400                                |
| Investments   | 2,855,260                          |
| Restricted Investments                                      | 120,903                            |
| Accounts Receivable   | 10,955                             |
| Due From Other Governmental Units                           | 3,644,487                          |
| Due From Fiduciary Fund                                     | 1,454                              |
| Prepaid Expenditures  | 194,429                            |
| Inventory   | 11,799                             |
| <b>Total Current Assets</b>                                 | <u>8,289,642</u>                   |
| <b>Noncurrent Assets</b>                                    |                                    |
| Capital Assets  | 17,717,174                         |
| Less: Accumulated Depreciation                              | <u>(13,224,549)</u>                |
| <b>Total Noncurrent Assets</b>                              | <u>4,492,625</u>                   |
| <b>Total Assets</b>   | 12,782,267                         |
| <b>Deferred Outflows of Resources</b>                       |                                    |
| Deferred Outflows related to pensions                       | 10,656,998                         |
| Deferred Outflows related to OPEB                           | 1,474,853                          |
| Total Deferred Outflows of Resources                        | <u>12,131,851</u>                  |
| <b>Total Assets and Deferred Outflows of Resources</b>      | <u>\$ 24,914,118</u>               |
| <b>LIABILITIES</b>  |                                    |
| <b>Current Liabilities</b>                                  |                                    |
| Accounts Payable  | \$ 355,059                         |
| Accrued Liabilities   | 1,727,389                          |
| State Aid Anticipation Note                                 | 2,972,500                          |
| Other Liabilities   | 297,354                            |
| Unearned Revenue  | 3,673                              |
| Bonds Payable, Due Within One Year                          | 100,000                            |
| Other Long Term Debt, Due Within One Year                   | <u>23,378</u>                      |
| <b>Total Current Liabilities</b>                            | 5,479,353                          |
| <b>Noncurrent Liabilities</b>                               |                                    |
| Bonds Payable   | 500,000                            |
| Net Pension Liability                                       | 31,148,576                         |
| Net OPEB Liability  | 8,033,460                          |
| Other Long-term Debt  | <u>817,912</u>                     |
| <b>Total Noncurrent Liabilities</b>                         | <u>40,499,948</u>                  |
| <b>Total Liabilities</b>                                    | 45,979,301                         |
| <b>Deferred Inflows of Resources</b>                        |                                    |
| Deferred inflows related to Pensions                        | 5,842,831                          |
| Deferred inflows related to OPEB                            | 2,370,021                          |
| <b>Total Deferred Inflows of Resources</b>                  | <u>8,212,852</u>                   |
| <b>Total Liabilities and Deferred Inflows of Resources</b>  | <u>54,192,153</u>                  |
| <b>NET POSITION (Deficit)</b>                               |                                    |
| Net Investment in Capital Assets                            | 3,892,625                          |
| Restricted for Capital Project Funds                        | 35,122                             |
| Restricted for Food Service                                 | 548,503                            |
| Unrestricted (Deficit)                                      | <u>(33,754,285)</u>                |
| <b>Total Net Position</b>                                   | <u>(29,278,035)</u>                |
| <b>Total Liabilities, Deferred Inflows and Net Position</b> | <u>\$ 24,914,118</u>               |

The notes to the financial statements are an integral part of these financial statements.

# WESTWOOD COMMUNITY SCHOOL DISTRICT

## Statement of Activities Year Ended June 30, 2019

|  | PROGRAM REVENUES     |                      |                     | ACTIVITIES  |
|--|----------------------|----------------------|---------------------|---|
|  | EXPENSES             | CHARGES FOR SERVICES | OPERATING GRANTS    | NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION |
| <b>Functions/Programs</b>                    |                      |                      |                     |   |
| Governmental Activities:                     |                      |                      |                     |   |
| Instruction                                  | \$ 11,102,554        | \$ -                 | \$ 3,453,448        | \$ (7,649,106)                                    |
| Support Services                             | 8,558,029            | -                    | 2,648,444           | (5,909,585)                                       |
| Cafeteria                                    | 1,161,056            | 55,247               | 1,169,471           | 63,662  |
| Depreciation - Unallocated                   | 429,801              | -                    | -                   | (429,801)   |
| <b>Total Government Activities</b>           | <u>\$ 21,251,440</u> | <u>\$ 55,247</u>     | <u>\$ 7,271,363</u> | (13,924,830)                                      |
| <b>General Revenues</b>                      |                      |                      |                     |   |
| Taxes  |                      |                      |                     |   |
| Property Taxes Levied for General Operations |                      |                      |                     | 3,326,199   |
| State Aid Unrestricted                       |                      |                      |                     | 12,145,445  |
| Interest on Investments and Taxes            |                      |                      |                     | 73,753  |
| Other  |                      |                      |                     | 762,631   |
| <b>Change in Net Position</b>                |                      |                      |                     | 2,383,198   |
| <b>Net Position, Beginning of Year</b>       |                      |                      |                     | (31,661,233)                                      |
| <b>Net Position, End of Year</b>             |                      |                      |                     | <u>\$ (29,278,035)</u>                            |

*The notes to the financial statements are an integral part of these financial statements.*



# WESTWOOD COMMUNITY SCHOOL DISTRICT

## Governmental Funds Balance Sheet June 30, 2019

|  | GENERAL              | NONMAJOR<br>GOVERNMENTAL<br>FUNDS | TOTAL<br>GOVERNMENTAL<br>FUNDS |
|--|----------------------|-----------------------------------|--------------------------------|
| <b>ASSETS</b>  |                      |                                   |                                |
| Cash   | \$ 1,449,955         | \$ -                              | \$ 1,449,955                   |
| Petty Cash   | 200                  | 200                               | 400                            |
| Investments  | 2,749,444            | 105,816                           | 2,855,260                      |
| Restricted Investments   | -                    | 120,903                           | 120,903                        |
| Accounts Receivable  | 10,955               | -                                 | 10,955                         |
| Due From Other Governmental Units  | 3,601,728            | 42,759                            | 3,644,487                      |
| Due From Other Funds   | 5,206,246            | 440,869                           | 5,647,115                      |
| Prepaid Expenditures   | 194,429              | -                                 | 194,429                        |
| Inventory  | -                    | 11,799                            | 11,799                         |
| <b>Total Assets</b>  | <b>\$ 13,212,957</b> | <b>\$ 722,346</b>                 | <b>\$ 13,935,303</b>           |
| <b>LIABILITIES</b>   |                      |                                   |                                |
| Accounts Payable   | \$ 302,119           | \$ 52,940                         | \$ 355,059                     |
| Salaries Payable   | 1,727,389            | -                                 | 1,727,389                      |
| Accrued Liabilities  | 291,037              | -                                 | 291,037                        |
| Due To Other Funds   | 5,559,880            | 85,781                            | 5,645,661                      |
| State Aid Anticipation Note  | 2,972,500            | -                                 | 2,972,500                      |
| Unearned Revenue   | 3,673                | -                                 | 3,673                          |
| <b>Total Liabilities</b>   | <b>10,856,598</b>    | <b>138,721</b>                    | <b>10,995,319</b>              |
| <b>DEFERRED INFLOW OF RESOURCES</b>  |                      |                                   |                                |
| Unavailable Revenue  | 857                  | -                                 | 857                            |
| <b>Total Deferred Inflow of Resources</b>                                    | <b>857</b>           | <b>-</b>                          | <b>857</b>                     |
| <b>FUND BALANCES</b>   |                      |                                   |                                |
| Nonspendable   | 194,429              | 11,799                            | 206,228                        |
| Restricted for Capital Project Funds   | -                    | 35,122                            | 35,122                         |
| Restricted for Food Service  | -                    | 536,704                           | 536,704                        |
| Unassigned   | 2,161,073            | -                                 | 2,161,073                      |
| <b>Total Fund Balances</b>   | <b>2,355,502</b>     | <b>583,625</b>                    | <b>2,939,127</b>               |
| <b>Total Liabilities, Deferred Inflow of<br/>Resources and Fund Balances</b> | <b>\$ 13,212,957</b> | <b>\$ 722,346</b>                 | <b>\$ 13,935,303</b>           |

The notes to the financial statements are an integral part of these financial statements.

# WESTWOOD COMMUNITY SCHOOL DISTRICT

## Reconciliation of Balance Sheet of Governmental Funds To the Statement of Net Position June 30, 2019

|  |                     |                                      |
|--|---------------------|--------------------------------------|
| <b>Fund Balances - Total Governmental Funds</b>  |                     | \$ 2,939,127                         |
| Amount Reported for Governmental Activities in the Statement of Net Position are different because:  |                     |                                      |
| Capital Assets used in Governmental Activities are not Financial Resources and are not Reported in the Governmental Funds:                                   |                     |                                      |
| The Cost of Capital Assets   | 17,717,174          |                                      |
| Accumulated Depreciation   | <u>(13,224,549)</u> | 4,492,625                            |
| Deferred outflows related to pension payments made subsequent to the measurement date are not reported in the governmental funds                             |                     | 10,656,998                           |
| Deferred outflows related to OPEB payments made subsequent to the measurement date are not reported in the governmental funds                                |                     | 1,474,853                            |
| Net pension obligations do not present a claim on current financial resources and are not reported as fund liabilities                                       |                     | (31,148,576)                         |
| Net OPEB obligations do not present a claim on current financial resources and are not reported as fund liabilities  |                     | (8,033,460)                          |
| Deferred inflows related to pension investment returns and changes in assumptions are not reported in the governmental funds                                 |                     | (5,842,831)                          |
| Deferred inflows related to OPEB investment returns and changes in assumptions are not reported in the governmental funds                                    |                     | (2,370,021)                          |
| Accrued Interest payable is not included as a liability in governmental funds  |                     | (6,317)                              |
| Certain receivables not meeting the availability criteria are reported as deferred inflows in the Governmental Funds, but revenue in Governmental Activities |                     | 857                                  |
| Long - Term Liabilities are not due and payable in the current period and are not reported in the Governmental Funds:  |                     |                                      |
| Bond Payable   | (600,000)           |                                      |
| Compensated Absences   | <u>(841,290)</u>    | <u>(1,441,290)</u>                   |
| <b>Net Position - Governmental Activities</b>  |                     | <b><u><u>\$ (29,278,035)</u></u></b> |

*The notes to the financial statements are an integral part of these financial statements.*

# WESTWOOD COMMUNITY SCHOOL DISTRICT

## Governmental Funds Statement of Revenue, Expenditures and Changes in Fund Balances Year Ended June 30, 2019

|  | GENERAL             | NONMAJOR<br>GOVERNMENTAL<br>FUNDS | TOTAL<br>GOVERNMENTAL<br>FUNDS |
|--|---------------------|-----------------------------------|--------------------------------|
| <b>REVENUE</b>                             |                     |                                   |                                |
| Local Sources                              | \$ 3,915,916        | \$ 55,247                         | \$ 3,971,163                   |
| State Sources                              | 14,914,712          | 38,823                            | 14,953,535                     |
| Federal Sources                            | 2,636,277           | 1,130,648                         | 3,766,925                      |
| Intermediate Sources                       | 961,569             | -                                 | 961,569                        |
| <b>Total Revenues</b>                      | <b>22,428,474</b>   | <b>1,224,718</b>                  | <b>23,653,192</b>              |
| <b>EXPENDITURES</b>                        |                     |                                   |                                |
| Instruction                                | 11,499,053          | -                                 | 11,499,053                     |
| Support Service                            | 8,974,456           | 1,231,098                         | 10,205,554                     |
| <b>Total Expenditures</b>                  | <b>20,473,509</b>   | <b>1,231,098</b>                  | <b>21,704,607</b>              |
| <b>EXCESS OF REVENUE OVER EXPENDITURES</b> | <b>1,954,965</b>    | <b>(6,380)</b>                    | <b>1,948,585</b>               |
| <b>FUND BALANCE, BEGINNING OF YEAR</b>     | <b>400,537</b>      | <b>590,005</b>                    | <b>990,542</b>                 |
| <b>FUND BALANCE, END OF YEAR</b>           | <b>\$ 2,355,502</b> | <b>\$ 583,625</b>                 | <b>\$ 2,939,127</b>            |

*The notes to the financial statements are an integral part of these financial statements.*

# WESTWOOD COMMUNITY SCHOOL DISTRICT

## Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2019

|   |               |                            |
|---|---------------|----------------------------|
| <b>NET CHANGES IN FUND BALANCE - TOTAL GOVERNMENTAL FUNDS</b>   |               | \$ 1,948,585               |
| Amounts reported for governmental activities in the Statement of Activities are different because   |               |                            |
| Governmental funds reported capital outlays as expenditures; in the Statement of Activities these costs are allocated over their estimated useful lives as depreciation |               |                            |
| Depreciation Expense  | (429,801)     |                            |
| Capital Outlay by School District   | <u>81,017</u> | (348,784)                  |
| Revenue is reported in the Statement of Activities at the time it is earned, without regard to timeliness of collection   |               | (18,554)                   |
| Interest expense is recorded in the statement of activities when incurred; it is not reported in the governmental funds until paid                                      |               | 933                        |
| Change in pension expense related to deferred items   |               | (14,815)                   |
| Change in OPEB expense related to deferred items  |               | 328,653                    |
| Repayments of bond principal are expenditures in the governmental funds, but not in the Statement of Activities (where it reduces long-term debt)                       |               | 100,000                    |
| Change in Other Long Term Liabilities are reported as expenditures in the governmental funds, but not in the Statement of Activities (where it reduces long-term debt)  |               | <u>387,180</u>             |
| <b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>  |               | <b><u>\$ 2,383,198</u></b> |

*The notes to the financial statements are an integral part of these financial statements.*

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Fiduciary Funds  
Statement of Net Position  
June 30, 2019

|  | <u>PRIVATE -<br/>PURPOSE<br/>TRUST FUNDS -<br/>SCHOLARSHIPS</u> | <u>AGENCY FUNDS -<br/>STUDENT<br/>ACTIVITIES</u> |
|--|---|--|
| <b>ASSETS</b>                          |   |  |
| Cash in Bank                           | \$ 3,030  | \$ 96,283  |
| Petty Cash                             | -   | 150  |
| <b>Total Assets</b>                    | <u>\$ 3,030</u>   | <u>\$ 96,433</u>                                 |
| <b>LIABILITIES</b>                     |   |  |
| Due to Student and Other School Groups | \$ -  | \$ 94,979  |
| Due to Other Funds                     | -   | 1,454  |
| <b>Total Liabilities</b>               | <u>-</u>  | <u>\$ 96,433</u>                                 |
| <b>NET POSITION</b>                    |   |  |
| Held in Trust                          | <u>\$ 3,030</u>   |  |

*The notes to the financial statements are an integral part of these financial statements.*

# WESTWOOD COMMUNITY SCHOOL DISTRICT

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Fiduciary Funds  
Statement of Changes in Net Position  
Year Ended June 30, 2019

|  | <u>PRIVATE-<br/>PURPOSE<br/>TRUST FUNDS</u> |
|--|---|
| <b>ADDITIONS</b>                       |   |
| Gifts and Contributions                | \$ -  |
| <b>DEDUCTIONS</b>                      |   |
| Scholarships Awarded                   | -   |
| Change in Net Position                 | -   |
| <b>NET POSITION, Beginning of Year</b> | <u>3,030</u>                                |
| <b>NET POSITION, End of Year</b>       | <u>\$ 3,030</u>                             |

*The notes to the financial statements are an integral part of these financial statements.*

## 1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Westwood Community School District (the "School District") conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the School District:

### Reporting Entity

The School District is governed by an elected seven-member Board of Education. The accompanying financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. These criteria include significant operational or financial relationships that determine which of the governmental organizations are a part of the School District's reporting entity, and which organizations are legally separate, component units of the School District. Based on the application of the criteria, the School District does not have any component units.

### District-Wide and Fund Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All of the School District's district-wide activities are considered governmental activities.

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. Program revenue includes (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes, intergovernmental payments, and other items not properly included among program revenues are reported instead as general revenue.

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

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)

June 30, 2019

## 1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**District-Wide Financial Statements** – The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants, categorical aid, and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

As a general rule, the effect of interfund activity has been eliminated from the district-wide financial statements.

Amounts reported as program revenue include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes and unrestricted State aid.

**Fund Financial Statements** – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, unrestricted State aid, intergovernmental grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the School District.

Fiduciary fund statements are also reported using the economic resources measurement focus and accrual basis of accounting.

The School District reports the following major governmental fund:

**General Fund** – The General Fund is the School District's primary operating fund. It accounts for all financial resources of the School District, except those required to be accounted for in another fund.



# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)

June 30, 2019

## 1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Additionally, the School District reports the following non-major funds:

**Cafeteria Fund** – The Cafeteria Fund accounts for the activities of the food service operation at the various cafeteria locations. The School District charges users primarily for the direct costs of this program, which are subsidized by state and federal grants.

**Building and Site Capital Projects Fund** – The Building and Site Capital Projects Fund accounts for the acquisition of capital assets or construction of major capital projects, which are primarily funded by settlements from asbestos abatement lawsuits.

**Capital Project Sinking Fund** – The Capital Projects Sinking Fund accounts for the acquisition of capital assets or construction of major capital projects, which are primarily funded by property taxes (sinking fund millage) and transfers from other funds.

**Fiduciary Fund** – The Fiduciary Fund is used to account for assets held by the School District in a trustee capacity or as an agent. Fiduciary Fund net position and results of operations are not included in the district-wide statements. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**Student Activities Agency Fund** – The Student Activities Agency Fund is used to record transactions of student groups for school and school-related purposes. The funds are segregated and held in trust for the students.

### Cash and Investments

Cash and investments include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value. Pooled investment income is generally allocated to each fund based on relative participation in the pool.

### Receivables and Payables

In general, outstanding balances between funds are reported as “due to/from other funds.” Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “advances to/from other funds.”

Property tax and other trade receivables are shown net of an allowance for uncollectible amounts. Property taxes are assessed as of December 31 and the related property taxes become a lien on December 1 of the following year. These taxes are billed on July 1 for approximately 50 percent of the taxes and on December 1 for the remainder of the property taxes. Taxes are considered delinquent on March 1 of the following year. At this time, penalties and interest are assessed and the total obligation is added to the county tax rolls.

The School District has considered the impact of GASB Statement No. 77, Tax Abatement Disclosures and determined that there are no abatements that reduce property tax revenues.

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)

June 30, 2019

## 1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Inventories and Prepaid Costs

Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. United States Department of Agriculture commodities received by the Cafeteria fund are recorded as inventory. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid costs in both district-wide and fund financial statements.

### Capital Assets

Capital assets, which include land, buildings, equipment and vehicles, are reported in the applicable governmental column in the district-wide financial statements. Capital assets are defined by the School District as assets with an initial individual cost of more than \$3,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Cost of normal repair and maintenance that do not add to the value or materially extend asset life are not capitalized. The School District does not have infrastructure-type assets.

Building, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

|                                  |             |
|----------------------------------|-------------|
| Buildings and Building Additions | 20-50 years |
| Buses and Other Vehicles         | 5-15 years  |
| Furniture and Other Equipment    | 5-20 years  |

### Compensated Absences

The liability for compensated absences reported in the district-wide statement consists of earned but unused accumulated vacation and sick leave benefits. A liability for these amounts is reported in governmental funds as it comes due for payment. The liability has been calculated using the vesting method, in which leave amounts for both employees who are currently eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

### Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

### Long-term Obligations

In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

# **WESTWOOD COMMUNITY SCHOOL DISTRICT**

Notes to Financial Statements (Continued)

June 30, 2019

## **1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Net Position**

Net position of the School District is classified in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the remaining net position that does not meet the definition of invested in capital or restricted.

### **Net Position Flow Assumption**

Sometimes, the School District will fund outlays for a particular purpose from both restricted and unrestricted resources. To calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

### **Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Education is the highest level of decision-making authority for the School District that can commit fund balance by passing a resolution. Once passed, the limitation imposed by the resolution remains in place until a similar action is taken (the passing of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The School District has, by resolution, authorized the Board of Education or superintendent to assign fund balance. The superintendent may also assign fund balance to cover a gap between estimated revenue and expenditures in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

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

# **WESTWOOD COMMUNITY SCHOOL DISTRICT**

**Notes to Financial Statements (Continued)**

**June 30, 2019**

## **1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Fund Balance Flow Assumptions**

Sometimes, the School District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). To calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are applied. It is the School District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Furthermore, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first followed by assigned fund balance. Unassigned fund balance is applied last.

### **Pension and Other Postemployment Benefit (OPEB) Plans**

For the purpose of measuring the net pension and net OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to each plan, and pension and OPEB expense, information about the fiduciary net position of the Michigan Public School Employees' Retirement System (MPERS) and additions to/deductions from MPERS fiduciary net position have been determined on the same basis as they are reported by MPERS. MPERS uses the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized as expenses when due and payable in accordance with the plan benefit terms. Related plan investments are reported at fair value.

### **Comparative Data**

Comparative data is not included in the School District's financial statements.

### **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. The School District only has two items that qualify for reporting in this category, which are the deferred outflows related to the pension and OPEB costs.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The School District reports deferred inflows related to revenue in support of pension contributions made after the measurement date and deferred pension and OPEB plan cost reductions.

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)

June 30, 2019

## 1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Upcoming Accounting Pronouncement

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. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. The School District is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the School District's financial statements for the year ending June 30, 2020.

In June 2017, the Governmental Accounting Standards Board issued GASB Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The School District is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the School District's financial statements for the year ending June 30, 2021.

### Restricted Cash

Monies related to the Capital Project Fund and the School District's sinking funds are required to be set aside for specific purposes. These amounts have been classified as restricted assets.

## 2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

**Budgetary Information** – Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America and State law for the General Fund, and all Special Revenue Funds. All annual appropriations lapse at fiscal year-end.

The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. State law requires the School District to have its budget in place by July 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits districts to amend their budgets during the year. During the year, the budget was amended in a legally permissible manner. The General Fund budget was amended during the year to take into account changes in State and local source revenue and related program expenditures.

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)  
June 30, 2019

## 2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

### Excess of Expenditures over Appropriations in Budgeted Funds

During the year, the School District incurred expenditures in certain budgeted funds, which were in excess of the amounts appropriated as follows:

|                  | <u>Original<br/>Budget</u> | <u>Amended<br/>Budget</u> | <u>Amount of<br/>Expenditures</u> | <u>Budget<br/>Variance</u> |
|------------------|----------------------------|---------------------------|-----------------------------------|----------------------------|
| Support Services |                            |                           |                                   |                            |
| Other Services   | \$ 251,222                 | \$ 214,529                | \$ 238,350                        | \$ (23,821)                |

Grants – Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, would become a liability of the General Fund. In the School District's opinion, any disallowed claims will not have a material effect on the financial statements as of and for the year June 30, 2019.

## 3) DEPOSITS AND INVESTMENTS

State statutes and the School District's investment policy authorize the School District to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The School District is allowed to invest in U.S. Treasury or Agency obligations, U.S. government repurchase agreements, bankers' acceptances, commercial paper rated prime at the time of purchase that matures not more than 270 days after the date of purchase, mutual funds, and investment pools that are composed of authorized investment vehicles. The School District's deposits are in accordance with statutory authority.

The Board of Education has designated two banks for the deposit of School District funds. The investment policy adopted by the Board in accordance with Public Act 196 of 1997 has authorized investment in 1) bonds, bills or notes of the United States, or obligations the principal and interest of which are fully guaranteed by the United States Government; 2) certificates of deposit issued by any state or national bank organized and authorized to operate a bank in this state; 3) commercial paper rated prime at the time of purchase and maturing not more than 270 days from date of purchase; 4) certificates of deposit or share certificates of state or federal credit unions organized and authorized to operate in this state, but not the remainder of State statutory authority as listed above.

As of June 30, 2019, the District had the following investments:

| <u>Investment Type</u> | <u>Fair Value</u>   | <u>Weighted<br/>Average<br/>Maturity</u> | <u>Standard<br/>&amp; Poor's<br/>Rating</u> | <u>%</u>       |
|------------------------|---------------------|--|---|----------------|
| MILAF+ Cash Mgmt Class | \$ 303,184          | 1 day                                    | AAAm  | 6.90%          |
| MILAF+ MAX Class       | 4,090,359           | 1 day                                    | AAAm  | 93.10%         |
|                        | <u>\$ 4,393,543</u> |  |   | <u>100.00%</u> |

Portfolio weighted average weighted maturity 1 day

As of June 30, 2019, out of \$4,393,543 in investment from MILAF, \$1,433,518 is included in cash and \$2,960,025 is included in investments in the attached financials.

### 3) DEPOSITS AND INVESTMENTS (Continued)

The School District voluntarily invests certain excess funds in external pooled investment funds which included money market funds. The pooled investment funds utilized by the District are the Michigan Investment Liquid Asset Fund (MILAF). MILAF funds are considered external investments pools as defined by GASB and as such are recorded at amortized cost which approximate fair value. The MILAF (MAX Class) fund requires notification of redemptions prior to 14 days to avoid penalties. These funds are not subject to fair value disclosures.

**Fair Value Measurements:** The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

**Level 1:** Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the School District has the ability to access.

**Level 2:** Inputs to the valuation methodology include:

Quoted prices for similar assets or liabilities in active markets;

Quoted prices for identical or similar assets or liabilities in inactive markets

Inputs other than quoted prices that are observable for the assets or liabilities;

Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

**Level 3:** Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)

June 30, 2019

## 3) DEPOSITS AND INVESTMENTS (Continued)

The School District's cash and investments are subject to several types of risk, which are examined in more detail below:

### Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School District's investment policy requires that financial institutions be evaluated and only those with an acceptable risk level are used for the School District's deposits for custodial credit risk. At year end, the School District had a deposit balance of \$480,827 (excluding outstanding checks and deposits in transit) of which \$274,293 was insured through the FDIC and \$206,534 was uninsured. The School District evaluates each financial institution it deposits funds with and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

### Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District's policy for custodial credit risk states custodial credit risk will be minimized by limiting investments to the types of securities allowed by state law and by pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the School District will do business using the criteria established in the investment policy.

### Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The School District's investment policy does not restrict investment maturities, other than commercial paper which can only be purchased with a 270-day maturity.

The School District's policy minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market; and investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the School District's cash requirements.



# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)  
June 30, 2019

## 3) DEPOSITS AND INVESTMENTS (Continued)

### Concentration of Credit Risk

The School District places no limit on the amount the School District may invest in any one issuer. The School District's policy minimizes concentration of credit risk by; and, requiring diversification of the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

### Foreign Currency Risk

Foreign currency risk is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value, as a result of changes in foreign currency exchange rates. State law and the School District's policy prohibit investment in foreign currency.

## 4) RECEIVABLES, UNEARNED AND UNAVAILABLE REVENUE

Receivables at June 30, 2019 consist primarily of state school aid due from the State of Michigan, and grant payments from the federal government. There are no applicable allowances for uncollectible accounts.

Government funds report deferred inflows of resources in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period.

Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of unearned revenue and deferred inflows of resources are as follows:

|   | <u>Unearned</u> | <u>Unavailable</u> | <u>Total</u>    |
|---|-----------------|--------------------|-----------------|
| Payments Received Prior to Meeting all Eligibility Requirements:<br>Grants and Categorical Aid Payments | \$ 3,673        | \$ -               | \$ 3,673        |
| Grants and Other Receipts Deferred Due to<br>Not Meeting the Availability Criteria                      | -               | 857                | 857             |
|   | <u>\$ 3,673</u> | <u>\$ 857</u>      | <u>\$ 4,530</u> |

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)  
June 30, 2019

## 5) CAPITAL ASSETS

Capital asset activity of the School District's governmental activities was as follows:

|   | Balance<br>June 30, 2018 | Additions           | Disposals<br>and<br>Adjustments | Balance<br>June 30, 2019 |
|---|--------------------------|---------------------|---------------------------------|--------------------------|
| Capital Assets not being Depreciated:     |                          |                     |                                 |                          |
| Land                                      | \$ 283,079               | \$ -                | \$ -                            | \$ 283,079               |
| <b>Total Assets not being Depreciated</b> | <u>283,079</u>           | <u>-</u>            | <u>-</u>                        | <u>283,079</u>           |
| Capital Assets being Depreciated:         |                          |                     |                                 |                          |
| Building and Building Improvements        | 12,916,356               | 81,017              | -                               | 12,997,373               |
| Site Improvements                         | 1,122,561                | -                   | -                               | 1,122,561                |
| Buses                                     | 491,792                  | -                   | -                               | 491,792                  |
| Vehicles (Other than Buses)               | 110,312                  | -                   | -                               | 110,312                  |
| Computer Equipment                        | 932,726                  | -                   | -                               | 932,726                  |
| Office Equipment                          | 1,779,331                | -                   | -                               | 1,779,331                |
| <b>Total Assets being Depreciated</b>     | <u>17,353,078</u>        | <u>81,017</u>       | <u>-</u>                        | <u>17,434,095</u>        |
| <b>Total Governmental Capital Assets</b>  | <u>17,636,157</u>        | <u>81,017</u>       | <u>-</u>                        | <u>17,717,174</u>        |
| Accumulated Depreciation:                 |                          |                     |                                 |                          |
| Building and Building Improvements        | 8,967,853                | 340,240             | -                               | 9,308,093                |
| Site Improvements                         | 724,264                  | 38,273              | -                               | 762,537                  |
| Buses                                     | 491,792                  | -                   | -                               | 491,792                  |
| Vehicles (Other than Buses)               | 110,312                  | -                   | -                               | 110,312                  |
| Computer Equipment                        | 932,726                  | -                   | -                               | 932,726                  |
| Office Equipment                          | 1,567,801                | 51,288              | -                               | 1,619,089                |
| <b>Subtotal</b>                           | <u>12,794,748</u>        | <u>429,801</u>      | <u>-</u>                        | <u>13,224,549</u>        |
| <b>Net Assets being Depreciated</b>       | <u>4,558,330</u>         | <u>(348,784)</u>    | <u>-</u>                        | <u>4,209,546</u>         |
| <b>Net Governmental Capital Assets</b>    | <u>\$ 4,841,409</u>      | <u>\$ (348,784)</u> | <u>\$ -</u>                     | <u>\$ 4,492,625</u>      |

Depreciation expense was not charged to activities as the School District considers its assets to impact multiple activities and allocation is not practical.

## 6) INTERFUND RECEIVABLES AND PAYABLES

The composition of interfund balances is as follows:

|                         | Due From<br>Other Funds | Due To<br>Other Funds |
|-------------------------|-------------------------|-----------------------|
| General Fund            | \$ 5,206,246            | \$ 5,559,880          |
| Building and Site Fund  | -                       | 71,973                |
| Cafeteria Fund          | 440,869                 | -                     |
| Sinking Fund            | -                       | 13,808                |
| Student Activities Fund | -                       | 1,454                 |
| <b>Total</b>            | <u>\$ 5,647,115</u>     | <u>\$ 5,647,115</u>   |

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)  
June 30, 2019

## 6) INTERFUND RECEIVABLES AND PAYABLES (Continued)

The amount due from the General Fund to the Cafeteria Fund is for expenditures originally paid through that fund. The amounts due from the Building and Site Fund and Sinking Fund represent amounts paid on behalf of those funds by the General Fund. All amounts due are scheduled to be repaid within one year.

## 7) LONG-TERM DEBT

The School District issues bonds, notes, and other contractual commitments to provide for the acquisition and construction of major capital facilities and the acquisition of certain equipment. Long-term obligations include an energy conservation loan, compensated absences, and other payments to employees.

Long-term obligation activity can be summarized as follows:

|                             | <u>Beginning<br/>Balance</u> | <u>Reductions</u> | <u>Ending<br/>Balance</u> | <u>Due Within<br/>One Year</u> |
|-----------------------------|------------------------------|-------------------|---------------------------|--------------------------------|
| <b>Installment Debt</b>     |                              |                   |                           |                                |
| 2010B Energy Bonds          | \$ 700,000                   | \$ 100,000        | \$ 600,000                | \$ 100,000                     |
| Total Installment Debt      | 700,000                      | 100,000           | 600,000                   | 100,000                        |
| <b>Other Debt</b>           |                              |                   |                           |                                |
| Compensated Absences        | 1,228,470                    | 387,180           | 841,290                   | 23,378                         |
| <b>Total Long-Term Debt</b> | <u>\$ 1,928,470</u>          | <u>\$ 487,180</u> | <u>\$ 1,441,290</u>       | <u>\$ 123,378</u>              |

## Bond Payable

General obligation bonds consist of the following:

2010B Energy Conservation Improvement Bonds due in annual installments of \$95,000 for two years, then \$100,000 thereafter, to \$1,390,000 through May 1, 2025 with the first payment beginning May 1, 2012; interest between 1.75% and 6.70%

\$ 600,000

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)  
June 30, 2019

## 7) LONG-TERM DEBT (Continued)

Annual debt service requirements to maturity for the above governmental bond obligations are as follows:

| Year Ended<br>June 30 | Governmental Activities |                   |                   |
|-----------------------|-------------------------|-------------------|-------------------|
|                       | Principal               | Interest          | Total             |
| 2020                  | \$ 100,000              | \$ 37,900         | \$ 137,900        |
| 2021                  | 100,000                 | 32,100            | 132,100           |
| 2022                  | 100,000                 | 26,000            | 126,000           |
| 2023                  | 100,000                 | 19,700            | 119,700           |
| 2024                  | 100,000                 | 13,400            | 113,400           |
| 2025                  | 100,000                 | 6,700             | 106,700           |
| <b>Total</b>          | <b>\$ 600,000</b>       | <b>\$ 135,800</b> | <b>\$ 735,800</b> |

## 8) NOTES PAYABLE

The School District participated in several borrowings of money in the forms of State Aid and Tax Anticipation Notes, pursuant to Act No. 451 of the Public Acts of 1976. This Act authorizes the borrowing of money in a single series of notes in anticipation of the collection of State Aid and Property Tax payments. The details of note payable balance at year end are summarized below:

|  | Beginning<br>Balance | Additions           | Reductions          | Ending<br>Balance   |
|--|----------------------|---------------------|---------------------|---------------------|
| State Aid Note Payable dated August 21, 2017 bearing interest at 1.359% and is due August 20, 2018 | \$ 4,000,000         | \$ -                | \$ 4,000,000        | \$ -                |
| State Aid Note Payable dated August 21, 2018 bearing interest at 2.5% and is due August 20, 2019   | -                    | 2,900,000           | -                   | 2,900,000           |
| <b>State Aid Anticipation Note</b>   | <b>\$ 4,000,000</b>  | <b>\$ 2,900,000</b> | <b>\$ 4,000,000</b> | 2,900,000           |
| <b>Interest</b>  |                      |                     |                     | 72,500              |
| <b>Total</b>   |                      |                     |                     | <b>\$ 2,972,500</b> |

## 9) CAPITAL PROJECT SINKING FUND

The Capital Project Sinking Fund records capital project activities funded with the Sinking Fund Millage. For this fund, the School District has complied with the applicable provisions of Section 1212(1) of the Revised School Code and the applicable section of the Revised Bulletin for School District Audits of Bonded Construction Funds and Sinking Funds in Michigan.

# **WESTWOOD COMMUNITY SCHOOL DISTRICT**

**Notes to Financial Statements (Continued)**

**June 30, 2019**

## **10) LITIGATION, CONTINGENCIES AND RISK MANAGEMENT**

The School District is the recipient of several Federal and State Grant programs. The expenditures for each program are subject to audit for technical compliance by an appropriate agency. In the event such audit procedures indicate that the School District is not in compliance, the Federal government could require repayment of funds to the grantor(s). In the opinion of management, such repayment, if any, is not likely to be material.

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees (workers' compensation) and natural disasters. For the year ended June 30, 2019, the School District purchased commercial insurance policies to satisfy any claims related to general liability, vehicle liability, property and casualty, athletic participation, employee health and accident and errors and omissions. The General Fund, since there is no internal Service Fund, accounts for all risk-financing activity.

During the year ended June 30, 2019, there was no significant reduction in insurance coverage in any of risk categories mentioned above. Additionally, the School District had no settlements in excess of insurance coverage during any of the past three fiscal years.

## **11) DEFINED BENEFIT PENSION PLAN AND POSTEMPLOYMENT BENEFITS**

### **Plan Description**

The Michigan Public School Employees' Retirement System (System or MPERS) is a cost-sharing, multiple employer, state-wide, defined benefit public employee retirement plan governed by the State of Michigan (State) originally created under Public Act 136 of 1945, re-codified and currently operating under the provisions of Public Act 300 of 1980, as amended. Section 25 of this act establishes the board's authority to promulgate or amend the provisions of the System. The board consists of twelve members - eleven appointed by the Governor and the State Superintendent of Instruction, who serves as an ex-officio member.

The System is administered by the Office of Retirement Services (ORS) within the Michigan Department of Technology, Management & Budget. The Department Director appoints the Office Director, with whom the general oversight of the System resides. The State Treasurer serves as the investment officer and custodian for the System.

The System's financial statements are available on the ORS website at [www.michigan.gov/orsschools](http://www.michigan.gov/orsschools).

### **Benefits Provided**

Benefit provisions of the defined benefit pension plan and postemployment healthcare plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions for the defined benefit (DB) pension plan and postemployment healthcare plan.

### 11) DEFINED BENEFIT PENSION PLAN AND POSTEMPLOYMENT BENEFITS (Continued)

#### Defined Benefit Pension Plan

Depending on the plan option selected, member retirement benefits are determined by final average compensation, years of service, and a pension factor ranging from 1.25 percent to 1.50 percent. DB members are eligible to receive a monthly benefit when they meet certain age and service requirements. The System also provides disability and survivor benefits to DB plan members.

A DB member plan member who leaves Michigan public school employment may request a refund of his or her member contributions to the retirement system account if applicable. A refund cancels a former member's rights to future benefits. However, returning members who previously received a refund of their contributions may reinstate their service through repayment of the refund upon satisfaction of certain requirements.

#### Postemployment Healthcare Plan

The System has contracted to provide the comprehensive group medical, prescription drug, dental and vision coverage for retirees and beneficiaries. A subsidized portion of the premium is paid by the System with the balance deducted from the monthly pension of each retiree healthcare recipient. Depending on the member's date of hire, this subsidized portion ranges from 80 percent to the maximum allowed by the statute.

#### Contributions and Funded Status

Employers are required by Public Act 300 of 1980, as amended, to contribute amounts necessary to finance the coverage of pension benefits of active and retired members. Contribution provisions are specified by State statute and may be amended only by action of the State Legislature.

Under the MPSERS Act, all retirees participating in the MPSERS pension plan have the option of continuing health, dental, and vision coverage through MPSERS. Retirees electing this coverage contribute an amount equivalent to the monthly cost for Part B Medicare and 10 percent of the monthly premium amount for the health, dental, and vision coverage at the time of receiving the benefits.

Employer pension contributions and OPEB contribution to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The portion of this cost allocated to the current valuation year is called the normal cost. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis. The unfunded (overfunded) actuarial accrued liability as of the September 30, 2017 valuation will be amortized over a 21-year period beginning October 1, 2017 and ending September 30, 2038.

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)

June 30, 2019

## 11) DEFINED BENEFIT PENSION PLAN AND POSTEMPLOYMENT BENEFITS (Continued)

### Contributions and Funded Status (Continued)

School District's contributions are determined based on employee elections. There are multiple different pension and healthcare benefit options included in the plan available to employees based on date of hire and elections available at that time. Contribution rates are adjusted annually by the ORS.

The range of rates is as follows:

|                                       | <u>Pension</u> | <u>OPEB</u>   |
|---------------------------------------|----------------|---------------|
| October 1, 2017 – January 31, 2018    | 13.54% -17.89% | 7.42% -7.67%  |
| February 1, 2018 – September 30, 2018 | 13.54% -19.74% | 7.42% -7.67%  |
| October 1, 2018 – September 30, 2019  | 13.39% -19.59% | 7.57% - 7.93% |

Depending on the plan selected, plan member contributions range from 0 percent up to 7.0 percent of gross wages. Plan members electing into the defined contribution plan are not required to make additional contributions.

Required contributions to the pension plan and OPEB plan from the School District were \$2,821,462 and \$655,997 for the year ended September 30, 2018.

The School District's contributions to the MPSERS plan for the years ended June 30, 2019, 2018, and 2017 were \$2,273,323, \$2,974,143 and \$3,189,185 respectively.

## 12) PENSION AND OTHER POSTEMPLOYMENT BENEFIT PLANS

### NET PENSION LIABILITY

At June 30, 2019, the School District reported a liability of \$31,148,576 for its proportionate share of the MPSERS net pension liability. The net pension liability was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation rolled forward from September 2017. The School District's proportion of the net pension liability was determined by dividing each employer's statutorily required pension contributions to the system during the measurement period by the percent of pension contributions required from all applicable employers during the measurement period. At September 30, 2018, the School District's proportion was 0.10361512 percent, which was a decrease of .004 percent from its proportion measured as of September 30, 2017.

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)  
June 30, 2019

## 12) PENSION AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

### NET OPEB LIABILITY

At June 30, 2018, the School District reported a liability of \$8,033,460 for its proportionate share of the MPSERS net OPEB liability. The net OPEB liability was measured as of September 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation rolled forward from September 2017. The School District's proportion of the net OPEB liability was determined by dividing each employer's statutorily required pension contributions to the system during the measurement period by the percent of OPEB contributions required from all applicable employers during the measurement period. At September 30, 2018, the School District's proportion was 0.10106314 percent, which was a decrease of .007 percent from its proportion measured as of September 30, 2017

### PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

For the year ended June 30, 2019, the School District recognized pension expense of \$2,774,126. At June 30, 2019; the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | <u>Deferred<br/>Outflows of<br/>Resources</u> | <u>Deferred<br/>Inflows of<br/>Resources</u> |
|---|---|--|
| Changes in assumptions  | \$ 7,213,984                                  | \$ -   |
| Changes in proportion and differences<br>between Reporting Unit Contributions<br>and proportionate share of contributions | 21,185  | 2,372,452                                    |
| Difference between expected and actual experience   | 144,535                                       | 226,351                                      |
| Net difference between projected and<br>actual investment earnings  | -   | 2,129,771                                    |
|   | <u>7,379,704</u>                              | <u>4,728,574</u>                             |
| Contributions subsequent to measurement date  | <u>3,277,294</u>                              | <u>1,114,257</u>                             |
| <b>Total</b>  | <u>\$ 10,656,998</u>                          | <u>\$ 5,842,831</u>                          |



# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)

June 30, 2019

## 12) PENSION AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

### PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (Continued)

\$3,277,294 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. The \$1,114,257 reported as deferred inflows of resources resulting from pension portion of State Aid payments received pursuant to the UAAL payment will be recognized as State appropriations revenue for the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

#### Deferred (Inflow) and Deferred Outflow of Resources by Year (To Be Recognized in Future Pension Expenses)

| Year Ended<br>June 30, | Amount              |
|------------------------|---------------------|
| 2019                   | \$ 999,901          |
| 2020                   | 768,057             |
| 2021                   | 593,836             |
| 2022                   | 289,336             |
| Total                  | <u>\$ 2,651,130</u> |

### OPEB EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended June 30, 2019, the School District recognized OPEB expense of \$269,959. At June 30, 2019; the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following:

|   | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|---|-----------------------------------|----------------------------------|
| Changes in assumptions  | \$ 850,748                        | \$ -                             |
| Changes in proportion and differences<br>between Reporting Unit Contributions<br>and proportionate share of contributions | 2,841                             | 566,043                          |
| Difference between expected and actual experience   | -                                 | 1,495,233                        |
| Net difference between projected and<br>actual investment earnings  | -                                 | 308,745                          |
|   | <u>853,589</u>                    | <u>2,370,021</u>                 |
| Contributions subsequent to measurement date  | 621,264                           | -                                |
| <b>Total</b>  | <u>\$ 1,474,853</u>               | <u>\$ 2,370,021</u>              |

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)

June 30, 2019

## 12) PENSION AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

### OPEB EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB (Continued)

\$621,264 reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in OPEB expense as follows:

| Year Ended<br>June 30, | Amount                |
|------------------------|-----------------------|
| 2019                   | \$ (357,596)          |
| 2020                   | (357,596)             |
| 2021                   | (357,596)             |
| 2022                   | (295,015)             |
| 2023                   | (148,629)             |
| Total                  | <u>\$ (1,516,432)</u> |

### Actuarial Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Additional information as of the latest actuarial valuation follows:

|                                     |  |
|-------------------------------------|--|
| Actuarial cost method               | Entry age normal cost actuarial cost method  |
| Investment rate of return - Pension | 6.00 to 7.05 percent, net of investment expenses based on the groups   |
| Investment rate of return - OPEB    | 7.15 percent, net of investment expenses based on the groups   |
| Salary increases percent            | 2.75 to 11.55 percent, including wage inflation of 2.75%   |
| Mortality basis                     | RP-2014 Male and Female Employee Annuitant Mortality Tables, scaled 100% (Retirees: 82% for males and 78% for females) and adjusted for mortality improvements using projection scale MP-2017 from 2006. |
| Cost-of-living pension adjustments  | 3.00 percent annual non-compounded for MIP members   |

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)  
June 30, 2019

## 12) PENSION AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

### Actuarial Assumptions (Continued)

Assumption changes as a result of an experience study for the periods from 2007 through 2012 have been adopted by the System for use in the annual pension valuations beginning with the September 30, 2014 valuation.

### Long-Term Expected Return on Plan Assets

The long-term expected rate of return on pension and OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension/OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension and OPEB plan's target asset allocation as of September 30, 2018, are summarized in the following table:

| <u>Asset Class</u>               | <u>Target Allocation</u> | <u>Long-term Expected Real Rate of Return*</u> |
|----------------------------------|--------------------------|--|
| Domestic Equity Pools            | 28.00%                   | 5.70%  |
| Private Equity Pools             | 18.00%                   | 9.20%  |
| International Equity Pools       | 16.00%                   | 7.20%  |
| Fixed Income Pools               | 10.50%                   | 0.50%  |
| Real Estate Infrastructure Pools | 10.00%                   | 3.90%  |
| Absolute Return Pools            | 15.50%                   | 5.20%  |
| Short-Term Investment Pools      | 2.00%                    | 0.00%  |
|                                  | <u>100.00%</u>           |  |

\* Long-term rates of return are net of administrative expenses and 2.3% inflation.

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)  
June 30, 2019

## 12) PENSION AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

### OPEB EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB (Continued)

#### Rate of Return

For the fiscal year ended September 30, 2018, the annual money-weighted rate of return on pension and OPEB plan investment, net of investment expense, was 11.11% and 10.75% respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

#### Discount Rate

A discount rate of 7.05% was used to measure the total pension liability (7.0% for the Pension Plus plan, 6.0% for the Pension Plus 2 plan provided through non-university employers only). This discount rate was based on the long term expected rate of return on pension plan investments of 7.05% (7.0% for the Pension Plus plan, 6.0% for the Pension Plus 2). A discount rate of 7.15% was used to measure the total OPEB liability. This discount rate was based on the long term expected rate of return on OPEB plan investments of 7.15%. The projection of cash flows used to determine this discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position and OPEB plan's net fiduciary position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan and OPEB plan investments was applied to all periods of projected benefit payments to determine the total pension liability and total OPEB liability.

#### Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate.

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 7.05% (7.0% for the Hybrid Plan), as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage higher:

|   | <b>1% Decrease</b> | <b>Current Discount Rate</b> | <b>1% Increase</b>   |
|---|--------------------|------------------------------|----------------------|
|   | <b>5% - 6.05%</b>  | <b>6.05% - 7.05%</b>         | <b>7.05% - 8.05%</b> |
| District's Proportionate Share of the Net Pension Liability | 40,895,674         | 31,148,576                   | 23,050,321           |

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Notes to Financial Statements (Continued)  
June 30, 2019

## 12) PENSION AND OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

### OPEB EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB (Continued)

#### Sensitivity of the School District's proportionate share of the net OPEB liability to changes in the discount rate.

The following presents the School District's proportionate share of the net OPEB liability calculated using the discount rate of 7.15%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage higher:

|  | <u>1% Decrease</u><br>6.15% | <u>Current Discount Rate</u><br>7.15% | <u>1% Increase</u><br>8.15% |
|--|-----------------------------|---------------------------------------|-----------------------------|
| Net OPEB Liability with Discount Rate Sensitivity Analysis | 9,644,006                   | 8,033,460                             | 6,678,795                   |

#### Sensitivity of the School District's proportionate share of the net OPEB liability to Healthcare Cost Trend Rate

The following presents the School District's proportionate share of the net OPEB liability calculated using the assumed trend, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a trend rate that is 1 percentage point lower or 1 percentage point higher:

|  | <u>1% Decrease</u> | <u>Current Healthcare Trend Rate</u> | <u>1% Increase</u> |
|--|--------------------|--------------------------------------|--------------------|
| Net OPEB Liability with Healthcare Trend Rate Sensitivity Analysis | 6,607,433          | 8,033,460                            | 9,669,405          |

## 13) PAYABLE TO THE PENSION PLAN AND OPEB PLAN

There was no outstanding amount of contributions to the Pension and OPEB plan for the year ended June 30, 2019.

## 14) SUBSEQUENT EVENT

On August 20, 2019, the state aid anticipation note obtained in fiscal year 2018 was scheduled to mature (see Note 8). In order to pay off the matured balances of those notes and to borrow additional funds, the School District borrowed, one note (Series B), \$1,799,000 against anticipated state aid through the Michigan Municipal Bond Authority's pooled borrowing program. This new note will become due on August 20, 2020 at an interest rate between 1.3% per annum.

**REQUIRED SUPPLEMENTAL INFORMATION**

# WESTWOOD COMMUNITY SCHOOL DISTRICT

## Required Supplemental Information Budgetary Comparison Schedule – General Fund Year Ended June 30, 2019

|  | ORIGINAL<br>BUDGET | FINAL<br>BUDGET   | ACTUAL              | VARIANCE WITH<br>FINAL BUDGET<br>FAVORABLE<br>(UNFAVORABLE) |
|--|--------------------|-------------------|---------------------|---|
| <b>REVENUE</b>                             |                    |                   |                     |   |
| Local Sources                              | \$ 3,580,728       | \$ 3,761,896      | \$ 3,915,916        | \$ 154,020  |
| State Sources                              | 15,597,579         | 14,855,312        | 14,914,712          | 59,400  |
| Federal Sources                            | 2,946,015          | 3,208,706         | 2,636,277           | (572,429)   |
| Intermediate Sources                       | 774,330            | 954,154           | 961,569             | 7,415   |
| <b>Total Revenues</b>                      | <b>22,898,652</b>  | <b>22,780,068</b> | <b>22,428,474</b>   | <b>(351,594)</b>  |
| <b>EXPENDITURES</b>                        |                    |                   |                     |   |
| Instruction                                |                    |                   |                     |   |
| Basic Programs                             | 9,179,811          | 8,786,232         | 8,345,667           | 440,565   |
| Added Needs                                | 3,802,780          | 3,284,526         | 3,153,386           | 131,140   |
| <b>Total Instruction</b>                   | <b>12,982,591</b>  | <b>12,070,758</b> | <b>11,499,053</b>   | <b>571,705</b>  |
| Support Services                           |                    |                   |                     |   |
| Pupil Services                             | 1,103,026          | 1,320,593         | 1,027,262           | 293,331   |
| Instructional Staff                        | 1,453,534          | 1,441,610         | 1,007,873           | 433,737   |
| General Administration                     | 533,226            | 598,666           | 567,753             | 30,913  |
| School Administration                      | 1,290,263          | 1,501,330         | 1,353,713           | 147,617   |
| Business Services                          | 919,467            | 861,270           | 814,997             | 46,273  |
| Operation & Maintenance                    | 1,804,200          | 1,842,894         | 1,752,919           | 89,975  |
| Pupil Transportation                       | 1,616,790          | 1,834,218         | 1,718,598           | 115,620   |
| Central Services                           | 537,800            | 520,928           | 476,048             | 44,880  |
| Other Services                             | 251,222            | 214,529           | 238,350             | (23,821)  |
| Community Services                         | 25,717             | 21,024            | 16,943              | 4,081   |
| <b>Total Support</b>                       | <b>9,535,245</b>   | <b>10,157,062</b> | <b>8,974,456</b>    | <b>1,182,606</b>  |
| <b>Total Expenditures</b>                  | <b>22,517,836</b>  | <b>22,227,820</b> | <b>20,473,509</b>   | <b>1,754,311</b>  |
| <b>Excess Revenue Over Expenditures</b>    | <b>\$ 380,816</b>  | <b>\$ 552,248</b> | <b>1,954,965</b>    | <b>\$ 1,402,717</b>   |
| <b>FUND BALANCE, Beginning of the Year</b> |                    |                   | <b>400,537</b>      |   |
| <b>FUND BALANCE, Ending of the Year</b>    |                    |                   | <b>\$ 2,355,502</b> |   |

# WESTWOOD COMMUNITY SCHOOL DISTRICT

## Required Supplemental Information Schedule of the School District's Proportionate Share of the Net Pension Liability As of September 30, 2018

|  | 2018          | 2017          | 2016          | 2015          | 2014          |
|--|---------------|---------------|---------------|---------------|---------------|
| School District's proportion of the net pension liability  | 0.10362%      | 0.10797%      | 0.11525%      | 0.11810%      | 0.12506%      |
| School District's proportionate share of the net pension liability   | \$ 31,148,576 | \$ 27,978,941 | \$ 28,753,692 | \$ 28,844,977 | \$ 27,546,717 |
| School District's covered-employee payroll   | 8,584,179     | 8,755,473     | 9,655,864     | 9,926,977     | 10,726,740    |
| School District's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 362.86%       | 319.56%       | 297.78%       | 290.58%       | 256.80%       |
| Plan fiduciary net position as a percentage of the total pension liability   | 62.36%        | 64.21%        | 63.27%        | 63.17%        | 66.20%        |

The amounts presented for each fiscal year were determined as of September 30 of the preceding year. Note: GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.



# WESTWOOD COMMUNITY SCHOOL DISTRICT

## Required Supplemental Information Schedule of the School District's Pension Contributions Year Ended June 30, 2019

|  | <u>Year Ended<br/>June 30, 2019</u> | <u>Year Ended<br/>June 30, 2018</u> | <u>Year Ended<br/>June 30, 2017</u> | <u>Year Ended<br/>June 30, 2016</u> | <u>Year Ended<br/>June 30, 2015</u> |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Contractually Required Contribution                                  | \$ 2,885,731                        | \$ 2,641,785                        | \$ 2,166,913                        | \$ 2,278,225                        | \$ 2,146,234                        |
| Contributions in Relation to the Contractually Required Contribution | 2,885,731                           | 2,641,785                           | 2,166,913                           | 2,278,225                           | 2,146,234                           |
| Contribution Deficiency (Excess)                                     | -                                   | -                                   | -                                   | -                                   | -                                   |
| District's Covered-Employee Payroll                                  | 8,334,803                           | 8,781,242                           | 8,811,990                           | 9,528,654                           | 9,887,216                           |
| Contributions as a Percentage of Covered Employee Payroll            | 34.62%                              | 30.08%                              | 24.59%                              | 23.91%                              | 21.70%                              |

Note: GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

# WESTWOOD COMMUNITY SCHOOL DISTRICT

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## Required Supplemental Information Schedule of the School District's Proportionate Share of the Net OPEB Liability Year Ended September 30, 2018

|   | <u>2018</u>  | <u>2017</u>  |
|---|--------------|--------------|
| School District's proportion of the net OPEB liability  | 0.10106%     | 0.10830%     |
| School District's proportionate share of the net OPEB liability   | \$ 8,033,460 | \$ 9,590,465 |
| School District's covered-employee payroll  | 8,584,179    | 8,755,473    |
| School District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll | 93.58%       | 109.54%      |
| Plan fiduciary net position as a percentage of the total OPEB liability   | 42.95%       | 36.39%       |

The amounts presented were determined as of September 30 of the preceding year. Note: GASB 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

# WESTWOOD COMMUNITY SCHOOL DISTRICT

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## Required Supplemental Information Schedule of the School District's OPEB Contributions Year Ended June 30, 2019

|  | <u>Year Ended<br/>June 30, 2019</u> | <u>Year Ended<br/>June 30, 2018</u> |
|--|-------------------------------------|-------------------------------------|
| Contractually Required Contribution                                  | \$ 618,368                          | \$ 959,831                          |
| Contributions in Relation to the Contractually Required Contribution | 618,368                             | 959,831                             |
| Contribution Deficiency (Excess)                                     | -                                   | -                                   |
| District's Covered-Employee Payroll                                  | 8,334,803                           | 8,781,242                           |
| Contributions as a Percentage of Covered Employee Payroll            | 7.42%                               | 10.93%                              |

Note: GASB 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

# **WESTWOOD COMMUNITY SCHOOL DISTRICT**

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## **Notes to Pension Required Supplemental Information Schedules Year Ended June 30, 2019**

**Benefit Changes** – There were no changes in benefit terms in 2018.

**Changes in Assumptions** – There were no significant changes of benefit assumptions in 2018 except that the discount rate used in the actuarial valuation decreased by 0.45% and 0.35% for pension and OPEB respectively.

## **OTHER SUPPLEMENTAL INFORMATION**

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Other Supplemental Information  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2019

|  | SPECIAL<br>REVENUE<br>CAFETERIA | CAPITAL<br>PROJECTS-<br>BUILDING<br>AND SITE | CAPITAL<br>PROJECTS-<br>SINKING<br>FUND | TOTAL<br>NONMAJOR<br>GOVERNMENTAL<br>FUNDS |
|--|---------------------------------|--|---|--|
| <b>ASSETS</b>                              |                                 |  |   |  |
| Petty Cash                                 | \$ 200                          | \$ -   | \$ -                                    | \$ 200                                     |
| Investments                                | 105,816                         | -  | -                                       | 105,816                                    |
| Restricted Investments                     | -                               | 81,779                                       | 39,124                                  | 120,903                                    |
| Due From Other Governmental Units          | 42,759                          | -  | -                                       | 42,759                                     |
| Due From Other Funds                       | 440,869                         | -  | -                                       | 440,869                                    |
| Inventory                                  | 11,799                          | -  | -                                       | 11,799                                     |
| <b>Total Assets</b>                        | <u>\$ 601,443</u>               | <u>\$ 81,779</u>                             | <u>\$ 39,124</u>                        | <u>\$ 722,346</u>                          |
| <b>LIABILITIES</b>                         |                                 |  |   |  |
| Accounts Payable                           | \$ 52,940                       | \$ -   | \$ -                                    | \$ 52,940                                  |
| Due To Other Funds                         | -                               | 71,973                                       | 13,808                                  | 85,781                                     |
| <b>Total Liabilities</b>                   | <u>52,940</u>                   | <u>71,973</u>                                | <u>13,808</u>                           | <u>138,721</u>                             |
| <b>FUND BALANCES</b>                       |                                 |  |   |  |
| Nonspendable                               | 11,799                          | -  | -                                       | 11,799                                     |
| Restricted for Capital Projects            | -                               | 9,806  | 25,316                                  | 35,122                                     |
| Restricted for Food Service                | 536,704                         | -  | -                                       | 536,704                                    |
| <b>Total Fund Balances</b>                 | <u>548,503</u>                  | <u>9,806</u>                                 | <u>25,316</u>                           | <u>583,625</u>                             |
| <b>Total Liabilities and Fund Balances</b> | <u>\$ 601,443</u>               | <u>\$ 81,779</u>                             | <u>\$ 39,124</u>                        | <u>\$ 722,346</u>                          |

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Other Supplemental Information  
Combining Statement of Revenue, Expenditures and  
Changes in Fund Balance  
Nonmajor Governmental Funds  
June 30, 2019

|  | SPECIAL<br>REVENUE<br>CAFETERIA | CAPITAL<br>PROJECTS-<br>BUILDING<br>AND SITE | CAPITAL<br>PROJECTS-<br>SINKING<br>FUND | TOTAL<br>NONMAJOR<br>GOVERNMENTAL<br>FUNDS |
|--|---------------------------------|--|---|--|
| <b>REVENUE</b>                                 |                                 |  |   |  |
| Local Sources                                  | \$ 51,224                       | \$ 1,844                                     | \$ 2,179                                | \$ 55,247                                  |
| State Sources                                  | 38,823                          | -  | -                                       | 38,823                                     |
| Federal Sources                                | 1,130,648                       | -  | -                                       | 1,130,648                                  |
| Total Revenues                                 | <u>1,220,695</u>                | <u>1,844</u>                                 | <u>2,179</u>                            | <u>1,224,718</u>                           |
| <b>EXPENDITURES</b>                            |                                 |  |   |  |
| Support - Business                             |                                 |  |   |  |
| Salaries                                       | 61,088                          | -  | -                                       | 61,088                                     |
| Benefits                                       | 37,331                          | -  | -                                       | 37,331                                     |
| Purchased Services                             | 988,649                         | -  | -                                       | 988,649                                    |
| Supplies & Materials                           | 73,149                          | -  | -                                       | 73,149                                     |
| Capital Outlay                                 | -                               | -  | 70,042                                  | 70,042                                     |
| Other Expenditures                             | 839                             | -  | -                                       | 839  |
| Total Program Expenditures                     | <u>1,161,056</u>                | <u>-</u>                                     | <u>70,042</u>                           | <u>1,231,098</u>                           |
| Excess of Revenue over/(under)<br>Expenditures | 59,639                          | 1,844  | (67,863)                                | (6,380)                                    |
| <b>FUND BALANCE, Beginning of Year</b>         | <u>488,864</u>                  | <u>7,962</u>                                 | <u>93,179</u>                           | <u>590,005</u>                             |
| <b>FUND BALANCE, End of Year</b>               | <u>\$ 548,503</u>               | <u>\$ 9,806</u>                              | <u>\$ 25,316</u>                        | <u>\$ 583,625</u>                          |

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Other Supplemental Information  
Balance Sheet  
General Fund  
June 30, 2019

|   | GENERAL<br>FUND     | GRANT<br>FUND       | TOTAL                |
|---|---------------------|---------------------|----------------------|
| <b>ASSETS</b>   |                     |                     |                      |
| Cash  | \$ 1,449,955        | \$ -                | \$ 1,449,955         |
| Petty Cash  | 200                 | -                   | 200                  |
| Investments   | 2,749,444           | -                   | 2,749,444            |
| Accounts Receivable   | 10,955              | -                   | 10,955               |
| Due From Other Governmental Units                                       | 3,080,624           | 521,104             | 3,601,728            |
| Due From Other Funds  | -                   | 5,206,246           | 5,206,246            |
| Prepaid Expenditures  | 194,429             | -                   | 194,429              |
| <b>Total Assets</b>   | <b>\$ 7,485,607</b> | <b>\$ 5,727,350</b> | <b>\$ 13,212,957</b> |
| <b>LIABILITIES</b>  |                     |                     |                      |
| Accounts Payable  | \$ 302,119          | \$ -                | \$ 302,119           |
| Salaries Payable  | 1,727,389           | -                   | 1,727,389            |
| Accrued Liabilities   | 291,037             | -                   | 291,037              |
| Due to Other Funds  | 5,559,880           | -                   | 5,559,880            |
| State Aid Anticipation Note   | 2,972,500           | -                   | 2,972,500            |
| Unearned Revenue  | 3,673               | -                   | 3,673                |
| <b>Total Liabilities</b>  | <b>10,856,598</b>   | <b>-</b>            | <b>10,856,598</b>    |
| <b>DEFERRED INFLOW OF RESOURCES</b>                                     |                     |                     |                      |
| Unavailable Revenue   | 857                 | -                   | 857                  |
| <b>Total Deferred Inflow of Resources</b>                               | <b>857</b>          | <b>-</b>            | <b>857</b>           |
| <b>FUND BALANCE (DEFICIT)</b>   |                     |                     |                      |
| Nonspendable  | 194,429             | -                   | 194,429              |
| Surplus (Deficit)   | (3,566,277)         | 5,727,350           | 2,161,073            |
| <b>Total Fund Balance (Deficit)</b>                                     | <b>(3,371,848)</b>  | <b>5,727,350</b>    | <b>2,355,502</b>     |
| <b>Total Liabilities, Deferred Inflow of Resources and Fund Balance</b> | <b>\$ 7,485,607</b> | <b>\$ 5,727,350</b> | <b>\$ 13,212,957</b> |



# **WESTWOOD COMMUNITY SCHOOL DISTRICT**

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**Other Supplemental Information  
Statement of Changes in Fund Balance  
General Fund  
Year Ended June 30, 2019**

|  | <u>ACTUAL</u>              |
|--|----------------------------|
| <b>FUND BALANCE, Beginning of Year</b> | \$ 400,537                 |
| Total Revenue                          | 22,428,474                 |
| Total Expenditures                     | <u>20,473,509</u>          |
| Excess Revenue over Expenditures       | <u>1,954,965</u>           |
| <b>FUND BALANCE, Ending of Year</b>    | <u><u>\$ 2,355,502</u></u> |

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Other Supplemental Information  
Statement of Revenue  
General Fund  
Year Ended June 30, 2019

## REVENUE FROM LOCAL SOURCES

|                            |                  |
|----------------------------|------------------|
| Property Tax Levy          | \$ 3,326,199     |
| Interest from Investments  | 73,753           |
| Facility Rental            | 7,983            |
| Athletics                  | 14,200           |
| E-Rate Revenue             | 65,778           |
| Miscellaneous              | 428,003          |
| <b>Total Local Sources</b> | <u>3,915,916</u> |

## REVENUE FROM STATE SOURCES

|                            |                   |
|----------------------------|-------------------|
| Foundation                 | 10,705,212        |
| Special Education          | 1,511,694         |
| MPSERS Offset              | 1,346,480         |
| State Aid - At Risk        | 1,257,573         |
| State Aid Other            | 93,753            |
| <b>Total State Sources</b> | <u>14,914,712</u> |

## REVENUE FROM FEDERAL SOURCES

|                              |                  |
|------------------------------|------------------|
| Title I                      | 1,663,500        |
| Title IIA                    | 140,090          |
| Title III                    | 3,975            |
| Title IV                     | 65,213           |
| IDEA Flow through            | 602,096          |
| IDEA Preschool               | 17,602           |
| IDEA CPE                     | 25,168           |
| JROTC                        | 41,932           |
| Carl Perkins                 | 33,744           |
| Medicaid Outreach            | 3,659            |
| Other - Restricted           | 38,487           |
| Other Federal Revenue        | 811              |
| <b>Total Federal Sources</b> | <u>2,636,277</u> |

## INTERMEDIATE SOURCES

|                                       |                |
|---------------------------------------|----------------|
| County Spec Ed Reimbursement - Act 18 | 658,727        |
| Career Tech Tuition                   | 56,175         |
| Medicaid Reimbursement and Others     | 246,667        |
| <b>Total Intermediate Sources</b>     | <u>961,569</u> |

**Total Revenue** \$ 22,428,474

# WESTWOOD COMMUNITY SCHOOL DISTRICT

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Other Supplemental Information  
Statement of Expenditures  
General Fund  
Year Ended June 30, 2019

## INSTRUCTION

### BASIC PROGRAMS

#### ELEMENTARY

|                        |    |           |
|------------------------|----|-----------|
| Salaries               | \$ | 2,526,768 |
| Employee Benefits      |    | 1,770,355 |
| Purchased Services     |    | 172,152   |
| Supplies and Materials |    | 109,527   |
| Transfers              |    | 22,000    |

#### MIDDLE SCHOOL

|                        |  |         |
|------------------------|--|---------|
| Salaries               |  | 656,660 |
| Employee Benefits      |  | 458,363 |
| Purchased Services     |  | 23,746  |
| Supplies and Materials |  | 4,400   |
| Transfers              |  | 6,000   |

#### HIGH SCHOOL

|                        |  |           |
|------------------------|--|-----------|
| Salaries               |  | 1,285,835 |
| Employee Benefits      |  | 865,571   |
| Purchased Services     |  | 160,641   |
| Supplies and Materials |  | 40,658    |
| Other Expenditures     |  | 4,743     |
| Transfers              |  | 113,714   |

#### OTHER BASIC PROGRAMS

|                        |  |        |
|------------------------|--|--------|
| Salaries               |  | 20,031 |
| Employee Benefits      |  | 9,262  |
| Purchased Services     |  | 93,171 |
| Supplies and Materials |  | 2,070  |

|                             |           |                  |
|-----------------------------|-----------|------------------|
| <b>Total Basic Programs</b> | <b>\$</b> | <b>8,345,667</b> |
|-----------------------------|-----------|------------------|

# WESTWOOD COMMUNITY SCHOOL DISTRICT

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Other Supplemental Information  
Statement of Expenditures (Continued)  
General Fund  
Year Ended June 30, 2019

## INSTRUCTION (Continued)

### ADDED NEEDS

#### SPECIAL EDUCATION

|                        |              |
|------------------------|--------------|
| Salaries               | \$ 1,146,443 |
| Employee Benefits      | 780,254      |
| Purchased Services     | 109,697      |
| Supplies and Materials | 6,047        |

#### COMPENSATORY EDUCATION

|                        |         |
|------------------------|---------|
| Salaries               | 369,257 |
| Employee Benefits      | 246,381 |
| Purchased Services     | 241,761 |
| Supplies and Materials | 129,449 |

#### CAREER & TECH EDUCATION

|                        |        |
|------------------------|--------|
| Salaries               | 54,728 |
| Employee Benefits      | 46,104 |
| Purchased Services     | 5,341  |
| Supplies and Materials | 17,924 |

|                   |                     |
|-------------------|---------------------|
| Total Added Needs | <u>\$ 3,153,386</u> |
|-------------------|---------------------|

|                          |                      |
|--------------------------|----------------------|
| <b>Total Instruction</b> | <u>\$ 11,499,053</u> |
|--------------------------|----------------------|

# WESTWOOD COMMUNITY SCHOOL DISTRICT

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Other Supplemental Information  
Statement of Expenditures (Continued)  
General Fund  
Year Ended June 30, 2019

## SUPPORTING SERVICES

### PUPIL SERVICES

#### GUIDANCE

|                    |           |
|--------------------|-----------|
| Salaries           | \$ 44,986 |
| Employee Benefits  | 41,589    |
| Purchased Services | 29,250    |

#### HEALTH

|                        |       |
|------------------------|-------|
| Purchased Services     | 5,675 |
| Supplies and Materials | 59    |

#### PSYCHOLOGICAL

|                        |        |
|------------------------|--------|
| Salaries               | 51,785 |
| Employee Benefits      | 20,714 |
| Supplies and Materials | 2,205  |

#### SPEECH

|                        |         |
|------------------------|---------|
| Salaries               | 135,699 |
| Employee Benefits      | 73,186  |
| Purchased Services     | 32,424  |
| Supplies and Materials | 799     |

#### SOCIAL WORKERS

|                    |         |
|--------------------|---------|
| Salaries           | 321,209 |
| Employee Benefits  | 215,205 |
| Purchased Services | 50,663  |

#### OTHER PUPIL SERVICES

|                   |       |
|-------------------|-------|
| Salaries          | 1,260 |
| Employee Benefits | 554   |

|                             |                     |
|-----------------------------|---------------------|
| <b>Total Pupil Services</b> | <u>\$ 1,027,262</u> |
|-----------------------------|---------------------|

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Other Supplemental Information  
Statement of Expenditures (Continued)  
General Fund  
Year Ended June 30, 2019

## SUPPORTING SERVICES (Continued)

### INSTRUCTIONAL STAFF

#### IMPROVEMENT OF INSTRUCTION

|                        |    |         |
|------------------------|----|---------|
| Salaries               | \$ | 158,220 |
| Employee Benefits      |    | 100,636 |
| Purchased Services     |    | 207,086 |
| Supplies and Materials |    | 5,796   |

#### INSTRUCTIONAL RELATED TECHNOLOGY

|                    |  |        |
|--------------------|--|--------|
| Salaries           |  | 684    |
| Employee Benefits  |  | 373    |
| Purchased Services |  | 11,050 |

#### DIRECTION OF INSTRUCTIONAL STAFF

|                        |  |         |
|------------------------|--|---------|
| Salaries               |  | 302,668 |
| Employee Benefits      |  | 195,354 |
| Purchased Services     |  | 5,704   |
| Supplies and Materials |  | 20,302  |

**Total Instructional Staff** \$ 1,007,873

### GENERAL ADMINISTRATION

#### BOARD OF EDUCATION

|                        |    |         |
|------------------------|----|---------|
| Salaries               | \$ | 5,850   |
| Employee Benefits      |    | 448     |
| Purchased Services     |    | 175,411 |
| Supplies and Materials |    | 5,633   |
| Other Expenses         |    | 17,290  |

#### EXECUTIVE ADMINISTRATION

|                    |  |         |
|--------------------|--|---------|
| Salaries           |  | 213,937 |
| Employee Benefits  |  | 137,900 |
| Purchased Services |  | 3,277   |
| Other Expenses     |  | 8,007   |

**Total General Administration** \$ 567,753

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Other Supplemental Information  
Statement of Expenditures (Continued)  
General Fund  
Year Ended June 30, 2019

## SUPPORTING SERVICES (Continued)

### SCHOOL ADMINISTRATION

#### OFFICE OF PRINCIPAL

|                        |    |         |
|------------------------|----|---------|
| Salaries               | \$ | 801,289 |
| Employee Benefits      |    | 540,517 |
| Purchased Services     |    | 7,138   |
| Supplies and Materials |    | 4,769   |

**Total School Administration** \$ 1,353,713

### BUSINESS SERVICES

#### FISCAL SERVICES

|                        |    |         |
|------------------------|----|---------|
| Salaries               | \$ | 294,439 |
| Employee Benefits      |    | 192,117 |
| Purchased Services     |    | 9,199   |
| Supplies and Materials |    | 5,218   |

#### INTERNAL SERVICES

|                    |  |        |
|--------------------|--|--------|
| Purchased Services |  | 18,854 |
|--------------------|--|--------|

#### OTHER BUSINESS

|                    |  |         |
|--------------------|--|---------|
| Purchased Services |  | 85,658  |
| Other Expenses     |  | 209,512 |

**Total Business Services** \$ 814,997

### MAINTENANCE AND OPERATIONS

#### MAINTENANCE AND OPERATIONS

|                        |    |           |
|------------------------|----|-----------|
| Salaries               | \$ | 39,956    |
| Employee Benefits      |    | 31,236    |
| Purchased Services     |    | 1,144,287 |
| Supplies and Materials |    | 370,157   |

#### SECURITY SERVICES

|                    |  |         |
|--------------------|--|---------|
| Purchased Services |  | 167,283 |
|--------------------|--|---------|

**Total Maintenance and Operations** \$ 1,752,919

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Other Supplemental Information  
Statement of Expenditures (Continued)  
General Fund  
Year Ended June 30, 2019

## SUPPORTING SERVICES (Continued)

### PUPIL TRANSPORTATION

|                                   |           |                  |
|-----------------------------------|-----------|------------------|
| Salaries                          | \$        | 39,956           |
| Employee Benefits                 |           | 24,562           |
| Purchased Services                |           | 1,654,014        |
| Supplies and Materials            |           | 16               |
| Other Expenses                    |           | 50               |
|                                   |           | <hr/>            |
| <b>Total Pupil Transportation</b> | <b>\$</b> | <b>1,718,598</b> |

### CENTRAL OFFICE AND TECHNOLOGY PERSONNEL

|                        |    |        |
|------------------------|----|--------|
| Salaries               | \$ | 94,008 |
| Employee Benefits      |    | 76,174 |
| Purchased Services     |    | 50,029 |
| Supplies and Materials |    | 1,896  |

### TECHNOLOGY SERVICES

|                        |  |        |
|------------------------|--|--------|
| Salaries               |  | 71,074 |
| Employee Benefits      |  | 71,731 |
| Purchased Services     |  | 93,191 |
| Supplies and Materials |  | 17,945 |
|                        |  | <hr/>  |

**Total Central Office and Technology** **\$** **476,048**

### OTHER SUPPORT SERVICES

|                        |    |         |
|------------------------|----|---------|
| Salaries               | \$ | 53,924  |
| Employee Benefits      |    | 32,218  |
| Purchased Services     |    | 114,077 |
| Supplies and Materials |    | 674     |
| Capital Outlay         |    | 30,376  |
| Other Expenses         |    | 7,081   |
|                        |    | <hr/>   |

**Total Other Support Services** **\$** **238,350**



# **WESTWOOD COMMUNITY SCHOOL DISTRICT**

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Other Supplemental Information  
Statement of Expenditures (Continued)  
General Fund  
Year Ended June 30, 2019

## **SUPPORTING SERVICES (Continued)**

### **COMMUNITY SERVICE ACTIVITIES**

#### **COMMUNITY ACTIVITIES**

|                        |               |
|------------------------|---------------|
| Salaries               | \$ 5,000      |
| Employee Benefits      | 1,764         |
| Supplies and Materials | <u>10,179</u> |

|                                    |               |
|------------------------------------|---------------|
| Total Community Service Activities | <u>16,943</u> |
|------------------------------------|---------------|

|                                  |                  |
|----------------------------------|------------------|
| <b>Total Supporting Services</b> | <u>8,974,456</u> |
|----------------------------------|------------------|

|                           |                             |
|---------------------------|-----------------------------|
| <b>TOTAL EXPENDITURES</b> | <u><u>\$ 20,473,509</u></u> |
|---------------------------|-----------------------------|

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Other Supplemental Information  
Statement of Revenue, Expenditures and Changes in  
Fund Balance – Budget and Actual  
Special Revenue Fund  
Year Ended June 30, 2019

|  | CAFETERIA          |                 |                   |   |
|--|--------------------|-----------------|-------------------|---|
|  | ORIGINAL<br>BUDGET | FINAL<br>BUDGET | ACTUAL            | VARIANCE WITH<br>FINAL BUDGET<br>FAVORABLE<br>(UNFAVORABLE) |
| <b>REVENUES</b>                                  |                    |                 |                   |   |
| Local Sources                                    | \$ 43,000          | \$ 43,000       | \$ 51,224         | \$ 8,224  |
| State Sources                                    | 30,648             | 34,735          | 38,823            | 4,088   |
| Federal Sources                                  | 1,150,000          | 1,000,000       | 1,130,648         | 130,648   |
| <b>Total Revenues</b>                            | 1,223,648          | 1,077,735       | 1,220,695         | 142,960   |
| <b>EXPENDITURES</b>                              |                    |                 |                   |   |
| Salaries   | 46,004             | 60,710          | 61,088            | (378)   |
| Benefits   | 27,512             | 37,367          | 37,331            | 36  |
| Purchased Services                               | 1,035,000          | 1,000,000       | 988,649           | 11,351  |
| Supplies & Materials                             | 60,000             | 60,000          | 73,149            | (13,149)  |
| Capital Outlay                                   | 10,000             | 10,000          | -                 | 10,000  |
| Other Expenditures                               | 36,075             | 36,075          | 839               | 35,236  |
| <b>Total Expenditures</b>                        | 1,214,591          | 1,204,152       | 1,161,056         | 43,096  |
| <b>Total Revenue Excess (Under) Expenditures</b> | \$ 9,057           | \$ (126,417)    | 59,639            | \$ 186,056  |
| Fund Balance - Beginning of Year                 |                    |                 | 488,864           |   |
| <b>Fund Balance - End of Year</b>                |                    |                 | <b>\$ 548,503</b> |   |

# WESTWOOD COMMUNITY SCHOOL DISTRICT

Other Supplemental Information  
Combining Balance Sheet  
Capital Project Funds  
June 30, 2019

|   | <u>BUILDING &amp;<br/>SITE FUND</u> | <u>SINKING<br/>FUND</u> | <u>COMBINED<br/>TOTAL</u> |
|---|-------------------------------------|-------------------------|---------------------------|
| <b>ASSETS</b>                             |                                     |                         |                           |
| Restricted Investments                    | <u>\$ 81,779</u>                    | <u>\$ 39,124</u>        | <u>\$ 120,903</u>         |
| <b>Total Assets</b>                       | <u>\$ 81,779</u>                    | <u>\$ 39,124</u>        | <u>\$ 120,903</u>         |
| <b>LIABILITIES AND FUND BALANCE</b>       |                                     |                         |                           |
| <b>LIABILITIES</b>                        |                                     |                         |                           |
| Due to Other Funds                        | <u>\$ 71,973</u>                    | <u>\$ 13,808</u>        | <u>\$ 85,781</u>          |
| <b>Total Liabilities</b>                  | <u>71,973</u>                       | <u>13,808</u>           | <u>85,781</u>             |
| <b>FUND BALANCE</b>                       |                                     |                         |                           |
| Restricted for Capital Projects           | <u>9,806</u>                        | <u>25,316</u>           | <u>35,122</u>             |
| <b>Total Fund Balance</b>                 | <u>9,806</u>                        | <u>25,316</u>           | <u>35,122</u>             |
| <b>Total Liabilities and Fund Balance</b> | <u>\$ 81,779</u>                    | <u>\$ 39,124</u>        | <u>\$ 120,903</u>         |

# WESTWOOD COMMUNITY SCHOOL DISTRICT

**Other Supplemental Information**  
**Combining Statement of Revenue, Expenditures**  
**and Changes in Fund Balance**  
**Capital Project Funds**  
**Year Ended June 30, 2019**

|   | <u>BUILDING &amp;<br/>SITE FUND</u> | <u>SINKING<br/>FUND</u> | <u>COMBINED<br/>TOTAL</u> |
|---|-------------------------------------|-------------------------|---------------------------|
| <b>REVENUES</b>                                 |                                     |                         |                           |
| Local Sources                                   | \$ 1,844                            | \$ 2,179                | \$ 4,023                  |
| <b>Total Revenue</b>                            | 1,844                               | 2,179                   | 4,023                     |
| <b>EXPENDITURES</b>                             |                                     |                         |                           |
| Capital Outlay                                  | -                                   | 70,042                  | 70,042                    |
| <b>Total Program Expenditures</b>               | -                                   | 70,042                  | 70,042                    |
| <b>Excess Revenue Over (Under) Expenditures</b> | 1,844                               | (67,863)                | (66,019)                  |
| <b>FUND BALANCE, Beginning of Year</b>          | 7,962                               | 93,179                  | 101,141                   |
| <b>FUND BALANCE, End of Year</b>                | <u>\$ 9,806</u>                     | <u>\$ 25,316</u>        | <u>\$ 35,122</u>          |

# WESTWOOD COMMUNITY SCHOOL DISTRICT

## Other Supplemental Information Budgetary Comparison Schedule – Building and Site Fund Year Ended June 30, 2019

|   | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u>   | <u>VARIANCE WITH<br/>FINAL BUDGET<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|---|-------------------------|-----------------|---|
| <b>REVENUES</b>                                 |                         |                 |   |
| Local Sources                                   | \$ 1,100                | \$ 1,844        | \$ 744  |
| <b>Total Revenues</b>                           | <u>1,100</u>            | <u>1,844</u>    | <u>744</u>  |
| <b>EXPENDITURES</b>                             |                         |                 |   |
| Capital Outlay                                  | <u>9,034</u>            | <u>-</u>        | <u>9,034</u>  |
| <b>Total Expenditures</b>                       | <u>9,034</u>            | <u>-</u>        | <u>9,034</u>  |
| <b>Excess Revenue Over (Under) Expenditures</b> | <u>\$ (7,934)</u>       | <u>\$ 1,844</u> | <u>\$ 9,778</u>   |
| <b>FUND BALANCE, Beginning of Year</b>          |                         | <u>7,962</u>    |   |
| <b>FUND BALANCE, End of Year</b>                |                         | <u>\$ 9,806</u> |   |

# WESTWOOD COMMUNITY SCHOOL DISTRICT

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Other Supplemental Information  
Statement of Net Position  
Trust and Agency Funds  
June 30, 2019

## ASSETS

|                     |           |               |
|---------------------|-----------|---------------|
| Cash in Bank        | \$        | 99,313        |
| Petty Cash          |           | 150           |
| <b>Total Assets</b> | <b>\$</b> | <b>99,463</b> |

## LIABILITIES AND FUND BALANCE

|   |           |               |
|---|-----------|---------------|
| Due to Student and Other School Groups    | \$        | 94,979        |
| Funds Held in Trust                       |           | 3,030         |
| Due to Other Funds                        |           | 1,454         |
| <b>Total Liabilities and Fund Balance</b> | <b>\$</b> | <b>99,463</b> |

# **WESTWOOD COMMUNITY SCHOOL DISTRICT**

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**Other Supplemental Information  
Statement of Revenue, Expenditures and  
Changes in Net Position Private Purpose Funds  
Trust and Agency Funds  
Year Ended June 30, 2019**

|   | <b>M. LOVE<br/>SCHOLARSHIP<br/>&amp; BOOK<br/>SCHOLARSHIP</b> |
|---|---|
| <b>RECEIPTS</b>                                   | \$ -  |
| <b>DISBURSEMENTS</b>                              | -   |
| Excess Disbursements                              | -   |
| <b>FUNDS HELD IN TRUST, Beginning of the Year</b> | <u>3,030</u>  |
| <b>FUNDS HELD IN TRUST, End of the Year</b>       | <u>\$ 3,030</u>   |

# **WESTWOOD COMMUNITY SCHOOL DISTRICT**

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**Other Supplemental Information  
Schedule of Receipts and Disbursements and  
Changes in Liability  
Agency Funds  
Year Ended June 30, 2019**

|  |                         |
|--|-------------------------|
| <b>DUE TO STUDENT GROUPS - JULY 1, 2018</b>  | \$ 101,566              |
| Receipts                                     | <u>70,521</u>           |
| Sub-Total                                    | 172,087                 |
| Disbursements                                | <u>77,108</u>           |
| <b>DUE TO STUDENT GROUPS - JUNE 30, 2019</b> | <u><u>\$ 94,979</u></u> |