

**SCHOOL DISTRICT OF WISCONSIN DELLS
WISCONSIN DELLS, WISCONSIN**

**REQUIRED AUDIT COMMUNICATIONS
TO THE SCHOOL BOARD**

Year Ended June 30, 2021

**Johnson Block & Company, Inc.
Certified Public Accountants
9701 Brader Way, Suite 202
Middleton, WI 53562
(608) 274-2002**

**SCHOOL DISTRICT OF WISCONSIN DELLS
WISCONSIN DELLS, WISCONSIN**

Year Ended June 30, 2021

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AUDIT MATTERS REQUIRING COMMUNICATION TO THE GOVERNING BODY

To the Board of Education
School District of Wisconsin Dells
Wisconsin Dells, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the School District of Wisconsin Dells for the year ended June 30, 2021 and issued our report thereon dated December 23, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Guidelines as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 7, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriations of accounting policies and their application. The significant accounting policies used by the District are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, the District changed accounting policies related to adopting Statement of Governmental Accounting Standards (GASB Statement) No. 84 Fiduciary Activities during the year ended June 30, 2021. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Actuarial Valuations

The District hired an actuary to provide an actuarial valuation as of June 30, 2020 of the postemployment medical benefits plan offered to retired employees of the District. The primary results of the valuation include the Net OPEB Liability as defined by GASB Statement No. 75. The actuarial computations reported were prepared solely to provide sufficient information for the District to comply with GASB Statement No. 75 accounting requirements. Computation for other purposes may differ significantly from the results reported by the actuary.

The District's net pension liability and deferred outflows and inflows of resources were determined based on actuarial valuations performed by an actuary hired by the state retirement system.

Management's estimate of the other post-employment benefits – group life insurance plan liability, deferred outflows of resources and deferred inflows of resources are computed by an actuarial valuation performed by an actuary hired by the state retirement system.

We evaluated the key factors and assumptions used to develop the actuarial valuations in determining that it is reasonable in relation to the financial statements taken as a whole.

Depreciation

Management's estimates of the depreciable lives of property and equipment are based on the expected use of the respective assets and management's experience with similar assets used by the District.

Fair Value of Investments

Management's estimate of fair market value of investments is based on the extent to which inputs used are observable in the market.

We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered difficulties in obtaining information relevant to capital assets and fund balances from management in performing and completing our audit. Due to timeliness of being able to obtain necessary information, our audit was filed late with the Department of Public Instruction.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 23, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on these statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Schedule of Changes in the District's Net OPEB Liability and Related Ratios, Local Retiree Life Insurance Fund Schedule, Wisconsin Retirement System Schedules, and budgetary comparison information, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual fund financial statements and schedules of awards, which accompanies the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of Board of Education and management of the School District of Wisconsin Dells and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
December 23, 2021



MANAGEMENT LETTER

To the Board of Education
School District of Wisconsin Dells
Wisconsin Dells, Wisconsin

In planning and performing our audit of the financial statements of the School District of Wisconsin Dells for the year ended June 30, 2021, we considered the District's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

However, during our audit we became aware of other matters that are opportunities for strengthening internal controls and operating efficiency. The following pages that accompany this letter summarize our comments and suggestions regarding those matters. This letter does not affect our report dated December 23, 2021, on the financial statements of the School District of Wisconsin Dells.

We would like to take this opportunity to acknowledge the many courtesies extended to us by the District's personnel during the course of our work.

We shall be pleased to discuss any of the matters referred to in this letter. Should you desire assistance in implementing any of the following suggestions, we would welcome the opportunity of assisting you in these matters.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
December 23, 2021

CURRENT YEAR COMMENTS

Long Outstanding Checks

During our review of the general fund and student activity fund bank reconciliations, we noted old outstanding items and checks, which totaled approximately \$23,000 between the three reconciliations. Old outstanding checks should be reviewed and it should be determined if they should be reissued or sent to the Department of Revenue unclaimed property. State statutes outline the recommended procedures to be followed.

We recommend the District ensure that all necessary documentation for transactions be kept as part of the District's records.

Capital Asset and Depreciation Schedules

During our audit, we noted that the capital asset and depreciation schedules did not accurately report and capture all expenditures for capital asset additions. Additionally, some items on the schedules were based on estimates, not actual expenditures of the District. Items that were based on estimates were included in the general construction contract for the high school addition. While items can be split and added as separate assets rather than be included as one large building asset addition, the entire cost of the building should be included, less amounts individually reported. As with our prior year's audit, we found continuing concerns with the District's controls over maintenance and accuracy of capital asset schedules provided to us during the audit.

We recommend the District provides complete and accurate information to the asset management company and review schedules provided by the asset management company to ensure the accuracy and completeness of capital asset and depreciation schedules.

ADDITIONAL COMMENTS

Leases

The Governmental Accounting Standards Board issued Statement No. 87 (GASB 87), Leases. GASB 87 will significantly change the criteria and conditions for classifying leases. It includes guidance for both lessees and lessors and must be implemented for the year ended June 30, 2022.

GASB 87 defines a lease as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time. Examples of nonfinancial assets most commonly include buildings, land, vehicles, and equipment. New lease accounting will include any contracts that meet the GASB 87 definition of a lease, even if the contracts do not identify the agreements as leases. Applicable leases may include office equipment and buses.

GASB 87 requires similar reporting of all leases entered into by the governmental unit. A lessee is required to recognize an asset and lease liability on the statement of net position. With each year of the lease, amortization and interest expense will be allocated to the statement of activities until the lease term is complete.

ADDITIONAL COMMENTS (CONTINUED)

Leases that meet a "short-term" criteria will continue to be reported as expenses/expenditures by lessees based on the required payments in the lease contract. Short-term leases are defined as contracts with a maximum possible term of 12 months or less.

A listing of all contracts for consideration of meeting the definition of a lease needs to be started and continuously updated. The listing should include key terms of the contracts, including:

- Description of contract
- Underlying asset
- Contract term
- Options for extensions and terminations
- Service components, if any (portion of contract for services, not control of the assets, are expensed)
- Dollar amount of lease

We will continue requesting potential contracts that meet the definition of a lease and are available to assist with initial and annual journal entries related to implementation of this new standard.

CONCLUDING REMARKS

We would like to thank you for allowing us to serve you. We are committed to assisting you in the long-term financial success of the School District of Wisconsin Dells and our comments are intended to draw to your attention issues which need to be addressed by the District to meet its goals and responsibilities.

The comments in this communication are not intended to reflect in any way on the integrity or ability of the personnel of the District. They are made solely in the interest of establishing sound internal control practices required by changing professional standards. The District's staff is deeply committed to maintaining the financial reporting system so that informed decisions can be made. They were receptive to our comments and suggestions.

We will review the status of these comments during each audit engagement.

If you have any questions or comments regarding this communication or the financial statements, do not hesitate to contact us.

APPENDIX

**School District of Wisconsin Dells
For the Year Ended June 30, 2021
Adjusting Journal Entries Report**

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1001			
To move the final GEER claim to the proper project code			
10 R 800 730 500000 160	FEDERAL GRANTS/DPI	1,652.00	
10 R 800 730 500000 162	FEDERAL GRANTS/DPI		1,652.00
Total		1,652.00	1,652.00
Adjusting Journal Entries JE # 1002			
To tie out Fund 21			
21 Q 938900	OTHER ASSIGNED FUND BALANCE	7,557.32	
21 A 711000	CASH		7,557.32
Total		7,557.32	7,557.32
Adjusting Journal Entries JE # 1003			
CLIENT JOURNAL ENTRY - To move IRS late payment penalty to expenses			
10 E 800 949 252000 000	FISCAL	8,847.35	
10 L 811612	FED. INCOME TAX		8,847.35
Total		8,847.35	8,847.35
Adjusting Journal Entries JE # 1004			
CLIENT ENTRY: To adjust Self Funded Dental Insurance liability			
10 L 815110	S-F DENTAL DISTRICT SHARE	8,471.54	
10 L 817000	DENTAL BENEFITS CLAIMS PAYABLE	12,267.08	
10 Q 939900	UNASSIGNED FUND BALANCE	8,471.54	
10 L 815110	S-F DENTAL DISTRICT SHARE		12,267.08
10 Q 936110	RESTRICTED FOR SELF INSURANCE		8,471.54
10 R 800 969 500000 000	DISTRICT WIDE		8,471.54
Total		29,210.16	29,210.16
Adjusting Journal Entries JE # 1005			
CLIENT JOURNAL ENTRY - To record 2020/2021 school resource officer			
10 E 800 381 229100 000	POLICE LIAISON	70,149.77	
10 L 811200	A/P ACCRUAL		70,149.77
Total		70,149.77	70,149.77
Adjusting Journal Entries JE # 1006			
Report Closing Entry: to move the additional contribution to fund 73 to Interfunds			
REVERSE			
10 L 811200	A/P ACCRUAL	150,000.00	
73 A 714100	DUE FROM FUND 10	150,000.00	
10 L 812730	DUE TO FUND 73		150,000.00
73 A 713200	ACCOUNTS RECEIVABLE		150,000.00
Total		300,000.00	300,000.00



SCHOOL DISTRICT OF WISCONSIN DELLS
CONNECT + INSPIRE + ACHIEVE
Everyone. Every day.

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT**

For the Year Ended June 30, 2021

**School District of Wisconsin Dells
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For the Year Ended June 30, 2021**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
School District of Wisconsin Dells
Wisconsin Dells, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the School District of Wisconsin Dells as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the School District of Wisconsin Dells' 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 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 previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the School District of Wisconsin Dells, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, effective July 1, 2020, the School District of Wisconsin Dells adopted the provisions of GASB Statement No. 84, Fiduciary Activities. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. 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 of Wisconsin Dells' basic financial statements. The other supplementary information listed 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 supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we will also issue our report on our consideration of the School District of Wisconsin Dells' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of 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 of Wisconsin Dells' internal control over financial reporting and compliance.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
December 23, 2021

SCHOOL DISTRICT OF WISCONSIN DELLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021

The discussion and analysis of the School District of Wisconsin Dells' financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2021. This information should be read in conjunction with the audited financial statements included in this report.

FINANCIAL HIGHLIGHTS

- The District's net position for the most recent fiscal year increased by \$4,005,626 from the prior year. The change includes an increase of \$3,547,505 in governmental activities and an increase of \$458,121 in business-type activities. The increase in governmental activities net position was partially due to the increase in capital assets financed partially by the Village of Lake Delton and the City of the Wisconsin Dells. The increase in business-type activities was mostly due to capital contributions from the governmental activities.
- In governmental funds, total fund balance decreased by \$3,845,500.
- Total District revenues and transfers totaled \$33,642,020 including \$18,844,602 in property taxes, \$3,138,127 federal and state aid and \$4,888,987 in operating grants and contributions, \$6,091,931 in capital grants and contributions, \$139,584 charges for services, and \$538,789 in other revenues. A transfer of capital assets was made from governmental activities to business-type activities totaling \$294,655.
- Total District expenditures were \$29,636,393, including \$14,568,039 for direct instruction.
- The District's financial position was such that there was no need to issue tax anticipation notes for cash flow purposes prior. The notes have been necessary in prior years because payments for the year begin in July, which is well before tax collections are received from the municipalities beginning in January.

OVERVIEW OF FINANCIAL STATEMENTS

The basic financial statements are comprised of 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition, other supplementary information to the basic financial statements is provided.

1. District-Wide Financial Statements

- District-wide financial statements are the Statement of Net Position and the Statement of Activities. These statements present an aggregate view of the District's finances in a manner similar to private-sector companies. Both statements distinguish functions that are supported principally by property taxes and intergovernmental revenues, called governmental activities, from functions that are intended to recover all or a significant portion of costs through user fees and charges called business-type activities.
- The statement of net position presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in the District's net position are an indication of whether its financial health is improving or deteriorating, respectively.
- The statement of activities presents information showing how the District's net position changed during the year. This statement reports the cost of government and business-type functions, and how those functions were financed for the fiscal year.

**SCHOOL DISTRICT OF WISCONSIN DELLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021**

2. Fund Financial Statements

- The District also produces fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities. The District, like other state and local governments, uses fund accounting to demonstrate compliance with finance related legal requirements. Fund statements generally report operations in more detail than the district-wide financial statements and provide information that may be useful in evaluating a district's near-term financing requirements.
- There are two governmental fund financial statements, the Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance. Generally, fund financial statements focus on near-term inflows and outflows of spendable resources and their impact on fund balance.
- Because the focus of fund financial statements is narrower than that of the district-wide financial statements, it is useful to make comparisons between the various sources of information presented. This helps the reader better understand the long-term implications of the District's near-term financial decisions. A reconciliation to facilitate the comparison of the Statement of Net Position to the Governmental Funds Balance Sheet is presented on page 5. A separate statement to reconcile the Government Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities is presented on page 7.
- The District has three kinds of funds: governmental, proprietary and fiduciary. Governmental funds include the District's three regular funds, general, debt service and other governmental, which includes the special revenue trust fund and the community service fund. The District has one proprietary fund, the food service fund; and one fiduciary fund, post-employment benefit trust fund.
- Governmental Funds – Most of the District's activities are reported in governmental funds, which focus on the determination of financial position and change in financial position, not on income determination. 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 District's operations and the services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.
- Proprietary Fund – The proprietary fund statement for the District's food service program is prepared on the same basis of accounting and measurement focus as the district-wide financial statements. This includes the Statement of Net Position on page 8 and a Statement of Revenues, Expenses and Changes in Net Position on page 9. In addition, the District provides a Statement of Cash Flows on page 10 for any proprietary fund.
- Fiduciary Fund - The District is also responsible for other assets that can only be used for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. These activities are excluded from the district-wide financial statements because the District cannot use these assets to finance its operations. A Statement of Fiduciary Net Position is included on page 11 and a Statement of Changes in Fiduciary Net Position is included on page 12.
- The District adopts an annual appropriation budget for its general fund.

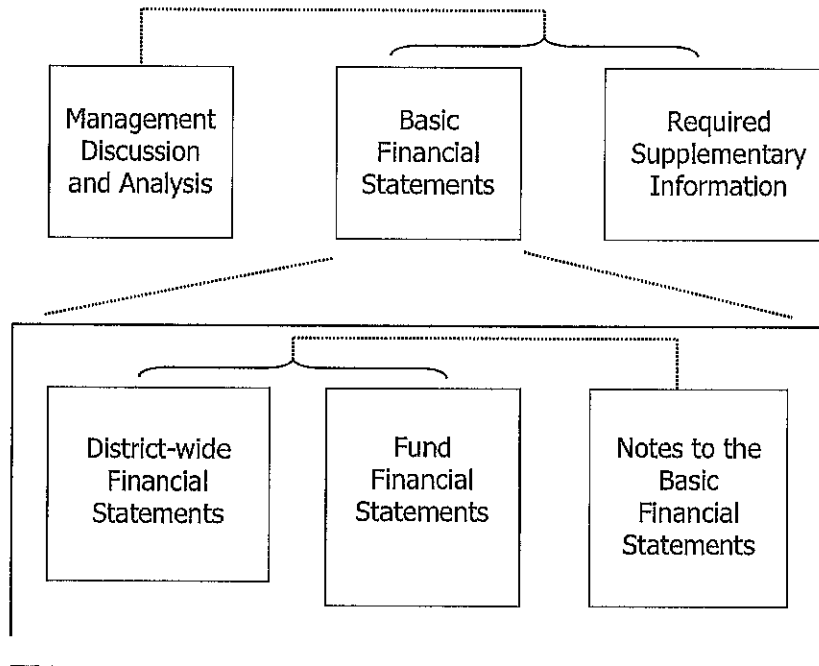
**SCHOOL DISTRICT OF WISCONSIN DELLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021**

3. Notes to the Basic Financial Statements

- The notes to the basic financial statements provide additional information that is essential to the full understanding of the data provided in the district-wide and fund financial statements. The notes to the basic financial statements follow the basic financial statements.

Figure 1 shows how the required parts of the Financial Statements are arranged and relate to one another:

Figure 1
Required Components of
Financial Statements



SCHOOL DISTRICT OF WISCONSIN DELLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021

Figure 2 summarizes the major features of the District's financial statements, including the portion of the District they cover and the types of information they contain.

Figure 2
Government-wide and Fund Financial Statements

	District-wide Financial Statements	Fund Statements		
		Governmental Funds	Proprietary Fund	Fiduciary Fund
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as education, administration and community services	Activities the District operates similar to private business – Food Services	Instances in which the District is the trustee or agent to someone else's resources – Postemployment Employee Benefit Trust Funds
Required Financial Statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses and Changes in Net Position Statement of Cash Flows	Statement of Net Position Statement of Changes in Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual Accounting and Economic Resources Focus	Modified Accrual Accounting and Current Financial Resources Focus	Accrual Accounting and Economic Resources Focus	Accrual Accounting and Economic Resources Focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, and short- term and long- term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of Inflow- Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; Expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

**SCHOOL DISTRICT OF WISCONSIN DELLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021**

FINANCIAL ANALYSIS OF DISTRICT AS A WHOLE

Table 1 provides a summary of the District's net position at June 30, 2021, compared to June 30, 2020.

Table 1
Condensed Statement of Net Position

	Government Activities		Business-Type Activities		Total School District	
	2021	2020	2021	2020	2021	2020
Assets						
Current Assets	\$ 14,472,042	\$ 26,936,793	\$ 372,478	\$ 219,732	\$ 14,844,520	\$ 27,156,525
Capital Assets	81,869,048	74,815,635	455,713	155,748	82,324,761	74,971,383
Less Accumulated Depreciation	(17,251,225)	(15,410,869)	(135,398)	(111,704)	(17,386,623)	(15,522,573)
Capital Assets, net book value	64,617,823	59,404,766	320,315	44,044	64,938,138	59,448,810
Other Non-Current Assets	4,141,806	2,162,197	129,418	58,187	4,271,224	2,220,384
Total Assets	83,231,671	88,503,756	822,211	321,963	84,053,882	88,825,719
Deferred Outflows of Resources						
Deferred Pension related outflows of resources	6,564,307	4,742,695	205,113	127,631	6,769,420	4,870,326
OPEB related outflows of resources	2,201,241	1,490,813	24,210	13,331	2,225,451	1,504,144
	8,765,548	6,233,508	229,323	140,962	8,994,871	6,374,470
Liabilities						
Current Liabilities	3,584,814	12,524,664	21,011	22,767	3,605,825	12,547,431
Long-term Liabilities	35,382,656	35,405,624	71,798	49,658	35,454,454	35,455,282
Total Liabilities	38,967,470	47,930,288	92,809	72,425	39,060,279	48,002,713
Deferred Inflows of Resources						
Deferred Pension Inflows	9,076,131	6,474,250	283,600	174,229	9,359,731	6,648,479
OPEB Related outflows of resources	1,030,831	1,184,678	11,502	10,769	1,042,333	1,195,447
Total Deferred Inflows of Resources	10,106,962	7,658,928	295,102	184,998	10,402,064	7,843,926
Net Position						
Net Investment in Capital Assets	36,272,870	34,558,221	320,315	44,044	36,593,185	34,602,265
Restricted	6,126,338	1,579,587	343,308	161,458	6,469,646	1,741,045
Unrestricted	523,579	3,010,240	-	-	523,579	3,010,240
Total Net Position	\$ 42,922,787	\$ 39,148,048	\$ 663,623	\$ 205,502	\$ 43,586,410	\$ 39,353,550

In governmental activities, the largest portion of the District's net position is its investment in capital assets (e.g. land, buildings, and equipment), less related outstanding debt used to acquire those assets, and in restricted cash. These assets are used to provide services to students and, consequently, are not available for future spending. School District of Wisconsin Dells maintains its buildings from annual operating funds appropriated for maintenance and repairs.

Restricted net position accounts for 14.84% of total net position. The District is required by state statute to have available in the debt service fund an amount sufficient to make debt payments required between the beginning of the fiscal year (July 1) and receipt of the first tax payments (normally January 20). The restricted net position includes \$244,067 for debt service.

**SCHOOL DISTRICT OF WISCONSIN DELLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021**

Table 2 shows the changes in net position for the fiscal years 2021 and 2020.

Table 2
Change in Net Position

	Government Activities		Business-Type Activities		Total School District	
	2021	2020	2021	2020	2021	2020
General Revenues						
Property Taxes	\$ 18,844,602	\$ 19,572,658	\$ -	\$ -	\$ 18,844,602	\$ 19,572,658
Federal and State Aid	3,138,127	3,913,927	-	-	3,138,127	3,913,927
Other	244,134	643,528	294,655	12,466	538,789	655,994
Total General Revenues	22,226,863	24,130,113	294,655	12,466	22,521,518	24,142,579
Program Revenues						
Charges for Services	49,004	69,906	90,578	213,275	139,582	283,181
Operating Grants & Contributions	3,844,871	2,479,910	1,044,117	610,202	4,888,988	3,090,112
Capital Grants and Contributions	6,091,931	17,464,887	-	-	6,091,931	17,464,887
Total Program Revenues	9,985,806	20,014,703	1,134,695	823,477	11,120,501	20,838,180
Total Revenues	32,212,669	44,144,816	1,429,350	835,943	33,642,019	44,980,759
Program Expenses						
Instruction	14,568,039	14,479,230	-	-	14,568,039	14,479,230
Pupil & Instructional Services	3,090,118	3,006,784	-	-	3,090,118	3,006,784
General Administration & Finance	2,039,887	1,900,303	-	-	2,039,887	1,900,303
Operations and Maintenance	5,536,393	1,833,952	-	-	5,536,393	1,833,952
Pupil Transportation	988,211	939,874	-	-	988,211	939,874
Interest on Debt	983,951	1,047,028	-	-	983,951	1,047,028
Other	1,458,565	429,943	-	-	1,458,565	429,943
Food Service Program	-	-	971,229	816,761	971,229	24,453,875
Total Expenses	28,665,164	23,637,114	971,229	816,761	29,636,393	24,453,875
Change in Net Position	\$ 3,547,505	\$ 20,507,702	\$ 458,121	\$ 19,182	\$ 4,005,626	\$ 20,526,884

Governmental Activities

The District relies primarily on property taxes to fund governmental activities. In the current year, the District received about \$6 million in contributions from local municipalities for construction of a new high school and athletic complex.

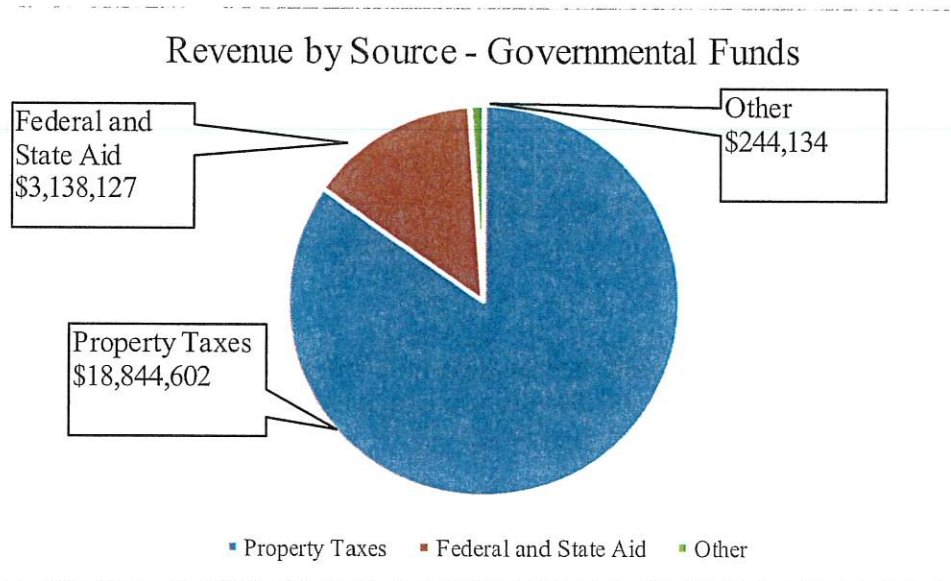
School funding regulations restrict the amount by which property taxes and general state aid, in combination, may be increased. This restriction, called the revenue limit, is intended to help hold down increases in property taxes throughout the state.

Wisconsin State Equalization Aid is paid according to a formula taking into consideration spending and property values by district, as compared to spending and property values for the state as a whole. The School District of Wisconsin Dells is a property rich district, so historically, it has received a minor portion of its revenues through general state aid.

**SCHOOL DISTRICT OF WISCONSIN DELLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021**

Chart 1 shows the portion of the District's general revenues allocated to each source.

Property Taxes	\$ 18,844,602	84.78%
Federal and State Aid	3,138,127	14.12%
Other	<u>244,134</u>	<u>1.10%</u>
Total General Revenue	<u>\$ 22,226,863</u>	<u>100.00%</u>



Governmental Funds

As of June 30, 2021, the District's governmental funds reported combined ending fund balance of \$12,343,994, a decrease of \$3,845,500 from the prior year. The following table provides an analysis of the District's fund balances and the total change in fund balances from the prior year.

Table 3
Governmental Funds
Change in Fund Balance

Fund	June 30, 2020	June 30, 2021	Change	Change (%)
General	\$ 8,057,016	\$ 8,613,266	\$ 556,250	6.90%
Debt Service	772,668	606,467	(166,201)	-21.51%
Capital Projects	6,204,553	1,594,795	(4,609,758)	0.00%
Other Governmental, as restated	<u>1,155,257</u>	<u>1,529,466</u>	<u>374,209</u>	<u>32.39%</u>
Total	<u>\$ 16,189,494</u>	<u>\$ 12,343,994</u>	<u>\$ (3,845,500)</u>	<u>17.78%</u>

**SCHOOL DISTRICT OF WISCONSIN DELLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021**

BUDGETARY HIGHLIGHTS

During the fiscal year, the School Board authorizes revisions to the original budget to accommodate differences from the original budget to the actual expenditures of the District. All adjustments are made and officially approved each June, before the end of the fiscal year. A schedule showing the District's original and final budget amounts compared with amounts actually paid and received is provided on pages 50 & 51.

General Fund

- General fund revenues were less than the budget by \$125,162.
- General fund expenditures were less than the budget by \$1,030,671.
- General fund transfers out were less than the budget by \$145,551.

Special Education Fund

- Special Education fund revenues were more than the budget by \$48,481.
- Special Education fund expenditures were less than the budget by \$194,032.
- Special Education fund transfers in were less than the budget by \$145,551.

CAPITAL ASSETS

At June 30, 2021, the District had \$64,938,138 invested in a broad range of capital assets, including land, construction work in progress, buildings and furniture and equipment. This amount represents a net increase (including additions, deletions and depreciation) of \$5,489,328 or 9.23% from last year.

Table 4
Governmental Activities
Capital Assets - Net of Depreciation

	Governmental Activities		Business-Type Activities		Total School District	
	2021	2020	2021	2020	2021	2020
Land	\$ 2,104,458	\$ 2,104,458	\$ -	\$ -	\$ 2,104,458	\$ 2,104,458
Construction In Progress	4,791,539	45,272,810	-	-	4,791,539	45,272,810
Capital Assets Being Depreciated	74,973,051	27,438,367	455,713	155,748	75,428,764	27,594,115
Accumulated Depreciation	(17,251,225)	(15,410,869)	(135,398)	(111,704)	(17,386,623)	(15,522,573)
	<u>\$ 64,617,823</u>	<u>\$ 59,404,766</u>	<u>\$ 320,315</u>	<u>\$ 44,044</u>	<u>\$ 64,938,138</u>	<u>\$ 59,448,810</u>

During the fiscal year, the District continued construction on a new high school and sports complex. More details about the District's capital assets is included in Note 6 to the financial statements.

**SCHOOL DISTRICT OF WISCONSIN DELLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021**

LONG-TERM OBLIGATIONS

As of July 1, 2020, the District had total outstanding bond principal of \$29,540,000. During the year, the District made payments against principal of \$1,130,000 and issued no additional general obligation debt. This resulted in ending outstanding general obligation debt as of June 30, 2021, of \$28,410,000.

Table 5
Outstanding Long-Term Obligations

	June 30, 2021	June 30, 2020	% Change
General Obligation Debt	\$ 29,692,462	\$ 30,943,761	-4.04%
Vested Employee Benefits	69,282	80,445	-13.88%
Capital Lease	247,285	77,337	219.75%
Total Long-Term Obligations	<u>\$ 30,009,029</u>	<u>\$ 31,024,206</u>	<u>201.83%</u>

More detailed information about our long-term liabilities is included in Note 7 to the financial statements.

Currently known circumstances that could impact the District's financial future are listed below:

- The electorate of the District passed a \$33,685,000 referendum on November 6, 2018, to build a new high school with additional financial support from the City of Wisconsin Dells and Village of Lake Delton. The new facility opened in the fall of 2020. In addition, the previous high school was converted to a middle school for grades 6-8 and the Spring Hill School was transitioned from a Pre-K through grade 8 building to a Pre-K through grade 5-only building.
- The District continues to be negatively impacted by Public School Open Enrollment. Over the past five years, the number of non-resident students the District serves has increased. The number of students leaving the District still exceeds the number coming into the District; however, the difference between the two numbers is trending downward.
- Controlling expenditure increases to fit within available revenue continues to be an annual challenge. The 2021-22 school year marks the beginning of the State's biennial budget, with no additional per pupil increases in it, adding additional uncertainties in the budget process.
- The District maintains a healthy fund balance to avoid short-term borrowing, to provide resources for any unplanned or emergency expenditures, and to make appropriations for capital (building) projects as needed.
- The District had a failed Operational Referendum in the Spring of 2021 and is projecting a budget shortfall of \$100,000 for 2021-22, based on the adopted budget from the annual meeting. Another referendum is being discussed for Fall of 2022 to exceed the revenue limit for operational purposes.
- The lack of available, affordable housing has been a long-standing issue in the District in attracting families in with school-aged children. Two separate apartment complex developments within the City of Wisconsin Dells have been approved for construction. One will be a single apartment building with 60 units of rent-controlled housing and the other will consist of two apartment buildings and will contain 75 units in each. The first units were available in the summer of 2021. The district also started a Residency Incentive of \$200 per month to encourage new staff members to live within the boundaries of the school district.

**SCHOOL DISTRICT OF WISCONSIN DELLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021**

NEXT YEAR'S BUDGET

The revenue budget for the 2021-2022 year is \$253,235 less than the actual revenues for 2020-2021. This represents a 1.06% decrease in budgeted revenues. The expenditure budget for the 2021-2022 year is \$368,634 less than the actual expenditures for 2020-2021, or a 1.57% decrease.

The comparison of revenue and expenditure categories is as follows:

Table 6

BUDGETED REVENUES

	<u>2021-2022</u>	<u>2020-2021</u>
Local	73.37%	74.06%
Other District/Intermediate	4.60%	4.27%
State	14.79%	16.38%
Federal	6.92%	4.53%
Financing/Other	0.32%	0.76%
	<u>100.00%</u>	<u>100.00%</u>

BUDGETED EXPENDITURES

	<u>2021-2022</u>	<u>2020-2021</u>
Instruction	44.22%	45.77%
Support Services	40.04%	39.76%
Non-Program Transactions	9.06%	5.67%
Fund Transfers	6.68%	8.80%
	<u>100.00%</u>	<u>100.00%</u>

CONTACTING THE DISTRICT FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, parents, students, investors and creditors with a general overview of the District's finances and to show the Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, please contact Steven Rhoads, Business Manager at School District of Wisconsin Dells, 811 County Road H, Wisconsin Dells, WI 53956, (608)254-7769, srhoads@sdwd.k12.wi.us.

FINANCIAL STATEMENTS

School District of Wisconsin Dells
Wisconsin Dells, Wisconsin

Statement of Net Position
June 30, 2021

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets:			
Cash and Investments	\$ 7,198,860	\$ 309,068	\$ 7,507,928
Receivables:			
Taxes	6,812,055	-	6,812,055
Accounts	12,758	-	12,758
Due from Other Governments	448,369	63,410	511,779
Total Current Assets	<u>14,472,042</u>	<u>372,478</u>	<u>14,844,520</u>
Noncurrent Assets:			
Land	2,104,458	-	2,104,458
Construction in Progress	4,791,539	-	4,791,539
Capital Assets Being Depreciated	74,973,051	455,713	75,428,764
Less: Accumulated Depreciation	<u>(17,251,225)</u>	<u>(135,398)</u>	<u>(17,386,623)</u>
Net Capital Assets	<u>64,617,823</u>	<u>320,315</u>	<u>64,938,138</u>
Restricted Assets:			
Net Pension Asset	<u>4,141,806</u>	<u>129,418</u>	<u>4,271,224</u>
Total Restricted Assets	<u>4,141,806</u>	<u>129,418</u>	<u>4,271,224</u>
Total Assets	<u>83,231,671</u>	<u>822,211</u>	<u>84,053,882</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred OPEB Outflows - Group Life Insurance Plan	75,654	-	75,654
Deferred OPEB Outflows - District Health Insurance Plan	2,125,587	24,210	2,149,797
Deferred Pension Outflows - Wisconsin Retirement System	<u>6,564,307</u>	<u>205,113</u>	<u>6,769,420</u>
Total Deferred Outflows of Resources	<u>8,765,548</u>	<u>229,323</u>	<u>8,994,871</u>
 Total Assets and Deferred Outflows of Resources	 <u>\$ 91,997,219</u>	 <u>\$ 1,051,534</u>	 <u>\$ 93,048,753</u>

See accompanying notes to the financial statements.

**School District of Wisconsin Dells
Wisconsin Dells, Wisconsin**

**Statement of Net Position
June 30, 2021**

	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 272,359	\$ -	\$ 272,359
Due to Fiduciary Fund	150,000	-	150,000
Accrued Liabilities:			
Payroll and Related Items	1,650,927	1,722	1,652,649
Self-funded Dental Deposits	33,807	578	34,385
Self-funded Dental Claims	12,685	-	12,685
Accrued Interest	362,400	-	362,400
Deposits Payable	8,270	18,711	26,981
Current Portion of Long-term Obligations	1,015,000	-	1,015,000
Current Portion of Capital Lease	79,366	-	79,366
Total Current Liabilities	<u>3,584,814</u>	<u>21,011</u>	<u>3,605,825</u>
Noncurrent Liabilities:			
Noncurrent Portion of Long-term Liabilities, Net	28,677,463	-	28,677,463
Noncurrent Portion of Capital Lease	167,919	-	167,919
Compensated Absences	69,282	-	69,282
OPEB Liability - Group Life Insurance Plan	164,208	-	164,208
OPEB Liability - District Health Insurance Plan	6,303,784	71,798	6,375,582
Total Noncurrent Liabilities	<u>35,382,656</u>	<u>71,798</u>	<u>35,454,454</u>
Total Liabilities	<u>38,967,470</u>	<u>92,809</u>	<u>39,060,279</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred OPEB Inflows - Group Life Insurance Plan	20,984	-	20,984
Deferred OPEB Inflows - District Health Insurance Plan	1,009,847	11,502	1,021,349
Deferred Pension Inflows - Wisconsin Retirement System	9,076,131	283,600	9,359,731
Total Deferred Inflows of Resources	<u>10,106,962</u>	<u>295,102</u>	<u>10,402,064</u>
NET POSITION			
Net Investment in Capital Assets	36,272,870	320,315	36,593,185
Restricted:			
Common School Fund	8,792	-	8,792
Self Funded Insurance	202,207	-	202,207
Net Pension Asset	4,141,806	129,418	4,271,224
Debt Service	244,067	-	244,067
Special Revenue Trust	884,340	-	884,340
Capital Improvement Fund	619,667	-	619,667
Community Service Fund	25,459	-	25,459
Food Service	-	213,890	213,890
Unrestricted	523,579	-	523,579
Total Net Position	<u>42,922,787</u>	<u>663,623</u>	<u>43,586,410</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 91,997,219</u>	<u>\$ 1,051,534</u>	<u>\$ 93,048,753</u>

See accompanying notes to the financial statements.

School District of Wisconsin Dells
Wisconsin Dells, Wisconsin

Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs Primary Government	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities
Governmental Activities						
Instruction:						
Regular Instruction	\$ 10,268,951	\$ 19,291	\$ 2,166,947	\$ -	\$ (8,082,713)	\$ (8,082,713)
Special Education Instruction	2,296,331	-	1,137,566	-	(1,158,765)	(1,158,765)
Vocational Instruction	526,068	317	171,972	-	(353,779)	(353,779)
Other Instruction	1,476,689	29,396	74,728	-	(1,372,565)	(1,372,565)
Support Services:						
Pupil Services	639,103	-	-	-	(639,103)	(639,103)
Instructional Staff Services	1,384,807	-	169,269	-	(1,215,538)	(1,215,538)
General Administration Services	433,959	-	-	-	(433,959)	(433,959)
Building Administration Services	1,279,118	-	-	-	(1,279,118)	(1,279,118)
Business Services	326,810	-	-	-	(326,810)	(326,810)
Operations and Maintenance of Plant	5,536,393	-	50,935	6,091,931	(5,485,458)	(5,485,458)
Pupil Transportation	988,211	-	73,454	-	(914,757)	(914,757)
Central Services	75,745	-	-	-	(75,745)	(75,745)
Insurance	333,069	-	-	-	(333,069)	(333,069)
Other Support Services	657,394	-	-	-	(657,394)	(657,394)
Interest and Fiscal Charges	983,951	-	-	-	(983,951)	(983,951)
Non-Program Services	83,302	-	-	-	(83,302)	(83,302)
Depreciation - Unallocated	1,375,263	-	-	-	(1,375,263)	(1,375,263)
Total Governmental Activities	28,665,164	49,004	3,844,871	6,091,931	(18,679,358)	(18,679,358)
Business-type Activities						
Food Service Program	971,229	90,578	1,044,117	-	-	163,466
Total Business-type Activities	971,229	90,578	1,044,117	-	-	163,466
Total Primary Government	\$ 29,636,393	\$ 139,582	\$ 4,888,988	\$ 6,091,931	\$ (18,679,358)	\$ (18,515,892)
General revenues:						
Taxes:						
Property Taxes, Levied for General Purposes					16,818,629	16,818,629
Property Taxes, Levied for Debt Service					2,025,973	2,025,973
Federal and State Aid not Restricted to Specific Purpose					3,138,127	3,138,127
Interest and Investment Earnings					66,706	66,706
Miscellaneous					472,083	472,083
Transfers					294,655	-
Total General Revenues and Transfers					22,226,863	22,521,518
Change in Net Position					3,547,505	4,005,626
Net Position - Beginning, as Previously Reported					39,148,048	39,353,550
Prior Period Adjustment - GASB 84 Implementation					227,234	227,234
Net Position - Beginning, as Restated					39,375,282	39,580,784
Net Position - Ending					\$ 42,922,787	\$ 43,586,410

See accompanying notes to the financial statements.

**School District of Wisconsin Dells
Wisconsin Dells, Wisconsin**

**Balance Sheet
Governmental Funds
June 30, 2021**

	General Fund	Capital Projects Fund	Referendum Debt Service Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Investments	\$ 4,720,314	\$ 342,690	\$ 606,467	\$ 1,529,389	\$ 7,198,860
Receivables:					
Taxes	6,812,055	-	-	-	6,812,055
Accounts	12,758	-	-	-	12,758
Due from Other Funds	-	1,313,403	-	-	1,313,403
Due from Other Governments	448,216	-	-	153	448,369
Total Assets	<u>\$ 11,993,343</u>	<u>\$ 1,656,093</u>	<u>\$ 606,467</u>	<u>\$ 1,529,542</u>	<u>\$ 15,785,445</u>
LIABILITIES					
Accounts Payable	\$ 211,061	\$ 61,298	\$ -	\$ -	\$ 272,359
Accrued Liabilities	1,650,851	-	-	76	1,650,927
Self-Fund Dental Benefits Deposits	33,807	-	-	-	33,807
Dental Benefit Claims Payable	12,685	-	-	-	12,685
Deposits Payable	8,270	-	-	-	8,270
Due to Other Funds	1,463,403	-	-	-	1,463,403
Total Liabilities	<u>3,380,077</u>	<u>61,298</u>	<u>-</u>	<u>76</u>	<u>3,441,451</u>
FUND BALANCES					
Restricted	210,999	1,594,795	606,467	1,529,466	3,941,727
Committed	369,671	-	-	-	369,671
Assigned	758,669	-	-	-	758,669
Unassigned	7,273,927	-	-	-	7,273,927
Total Fund Balances	<u>8,613,266</u>	<u>1,594,795</u>	<u>606,467</u>	<u>1,529,466</u>	<u>12,343,994</u>
Total Liabilities and Fund Balances	<u>\$ 11,993,343</u>	<u>\$ 1,656,093</u>	<u>\$ 606,467</u>	<u>\$ 1,529,542</u>	<u>\$ 15,785,445</u>

See accompanying notes to the financial statements.

**School District of Wisconsin Dells
Wisconsin Dells, Wisconsin**

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2021**

Total fund balance, governmental funds	\$ 12,343,994
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	64,617,823
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Certain other long-term assets are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.

Net Pension Asset (Liability)	4,141,806
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Other items, including OPEB liabilities, are not due and payable in the current period and, therefore, are either deferred or not reported in the fund financial statements.

OPEB Asset (Liability) - Group Life Insurance Plan	(164,208)
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OPEB Asset (Liability) - District Health Insurance Plan	(6,303,784)
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Pension and other benefits deferred outflows of resources and deferred inflows of resources are actuarially determined by the defined benefit pension plan and OPEB plans. These items are reflected in the Statement of Net Position and are being amortized with pension expense in the Statement of Activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and therefore are not reported in the fund statements.

Deferred Outflows of Resources	8,765,548
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Deferred Inflows of Resources	(10,106,962)
-------------------------------	--------------

Some liabilities, (such as Notes Payable and Long-term Compensated Absences), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.

General obligation debt	(28,410,000)
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Obligations under capital leases	(247,285)
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Accrued interest on long-term debt	(362,400)
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Compensated absences	(69,282)
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Premium on long-term debt	(1,282,463)
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Net Position of Governmental Activities in the Statement of Net Position	<u>\$ 42,922,787</u>
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See accompanying notes to the financial statements.

School District of Wisconsin Dells
Wisconsin Dells, Wisconsin

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021

	General Fund	Capital Projects Fund	Referendum Debt Service Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Local	\$ 16,870,185	\$ 6,128,217	\$ 2,026,390	\$ 356,474	\$ 25,381,266
Interdistrict	940,412	-	-	-	940,412
Intermediate	77,107	-	-	-	77,107
State	4,441,213	-	-	-	4,441,213
Federal	1,438,928	-	-	8,286	1,447,214
Other	166,922	-	44,228	8,962	220,112
Total Revenues	23,934,767	6,128,217	2,070,618	373,722	32,507,324
EXPENDITURES					
Instruction:					
Regular Instruction	10,189,476	610,714	-	11,019	10,811,209
Special Education Instruction	2,463,793	-	-	-	2,463,793
Vocational Instruction	507,687	43,694	-	34,155	585,536
Other Instruction	1,296,801	116,422	-	107,518	1,520,741
Support Services:					
Pupil Services	679,984	-	-	-	679,984
Instructional Staff Services	1,459,141	-	-	7,544	1,466,685
General Administration Services	453,840	-	-	133	453,973
Building Administration Services	1,367,245	-	-	-	1,367,245
Business Services	331,730	-	-	-	331,730
Operation and Maintenance of Plant	2,643,432	9,951,267	-	19,146	12,613,845
Pupil Transportation	893,005	-	-	5,017	898,022
Central Services	63,483	-	-	-	63,483
Insurance	326,361	6,708	-	-	333,069
Other Support Services	654,342	9,170	-	8,481	671,993
Adjustments and Refunds	13,518	-	-	-	13,518
Non-Program Services	-	-	-	6,500	6,500
Debt Service:					
Principal Repayment	64,433	-	1,130,000	-	1,194,433
Interest Expense	4,627	-	1,106,819	-	1,111,446
Total Expenditures	23,412,898	10,737,975	2,236,819	199,513	36,587,205
Excess (Deficiency) of Revenues Over Expenditures	521,869	(4,609,758)	(166,201)	174,209	(4,079,881)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	200,000	200,000
Transfers Out	(200,000)	-	-	-	(200,000)
Proceeds from Capital Lease	234,381	-	-	-	234,381
Total Other Financing Sources (Uses)	34,381	-	-	200,000	234,381
Net Change in Fund Balances	556,250	(4,609,758)	(166,201)	374,209	(3,845,500)
Fund Balances - Beginning, as Previously Reported	8,057,016	6,204,553	772,668	928,023	15,962,260
Prior Period Adjustment - Implementation of GASB Statement No. 84	-	-	-	227,234	227,234
Fund Balances - Beginning, as Restated	8,057,016	6,204,553	772,668	1,155,257	16,189,494
Fund Balances - Ending	<u>\$ 8,613,266</u>	<u>\$ 1,594,795</u>	<u>\$ 606,467</u>	<u>\$ 1,529,466</u>	<u>\$ 12,343,994</u>

See accompanying notes to the financial statements.

School District of Wisconsin Dells
Wisconsin Dells, Wisconsin

**Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2021**

Net change in fund balances - total governmental funds: \$ (3,845,500)

Amounts reported for Governmental Activities in the Statement of Activities are different because:

The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.

This is the amount by which current year capital outlays were greater than depreciation in the current period.	7,070,525 <u>(1,857,468)</u>	5,213,057
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Repayment of long-term debt principal is an expenditure in the governmental funds, but reduces the liability in the Statement of Net Position.

Bonds	1,130,000	
Capital Lease	<u>64,433</u>	1,194,433

Debt incurred in governmental funds is reported as an other financing source, but is reported as an increase in outstanding long-term debt in the Statement of Net Position and does not affect the Statement of Activities.

Capital Lease Proceeds		(234,381)
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.

(Increase) Decrease in Accrued Interest	6,197	
Amortization of Debt Premium	121,297	
(Increase) Decrease in Compensated Absences	11,163	
(Increase) Decrease in WRS Pension	1,199,340	
(Increase) Decrease in Net Retiree Life Insurance	(20,804)	
(Increase) Decrease in Other Post Employment Benefits - Health Insurance	<u>(97,297)</u>	
		<u>1,219,896</u>

Change in net position of governmental activities		<u><u>\$ 3,547,505</u></u>
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See accompanying notes to the financial statements.

**School District of Wisconsin Dells
Wisconsin Dells, Wisconsin**

**Statement of Net Position
Proprietary Funds
June 30, 2021**

	<u>Food Service</u>
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 309,068
Due from Other Governments	63,410
Total Current Assets	<u>372,478</u>
Noncurrent Assets:	
Net Pension Asset	129,418
Furniture and Equipment	455,713
Less Accumulated Depreciation	<u>(135,398)</u>
Net Capital Assets	<u>320,315</u>
Total Noncurrent Assets	<u>449,733</u>
Total Assets	<u>822,211</u>
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred Pension Outflows	205,113
Deferred OPEB Outflows	<u>24,210</u>
Total Deferred Outflows of Resources	<u>229,323</u>
 Total Assets and Deferred Outflows of Resources	 <u><u>\$ 1,051,534</u></u>
 LIABILITIES	
Current Liabilities:	
Payroll, Payroll Taxes, Insurance	\$ 2,300
Deposit Payable	<u>18,711</u>
Total Current Liabilities	<u>21,011</u>
Noncurrent Liabilities:	
Net OPEB Liability	<u>71,798</u>
Total Noncurrent Liabilities	<u>71,798</u>
Total Liabilities	<u>92,809</u>
 DEFERRED INFLOWS OF RESOURCES	
Deferred Pension Inflows	283,600
Deferred OPEB Inflows	<u>11,502</u>
Total Deferred Inflows of Resources	<u>295,102</u>
 NET POSITION	
Net Investment in Capital Assets	320,315
Restricted:	
Net Pension Asset	129,418
Food Service	<u>213,890</u>
Total Net Position	<u>663,623</u>
 Total Liabilities, Deferred Inflows of Resources and Net Position	 <u><u>\$ 1,051,534</u></u>

See accompanying notes to the financial statements.

**School District of Wisconsin Dells
Wisconsin Dells, Wisconsin**

**Statement of Changes in Revenues, Expenditures and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2021**

	<u>Food Service</u>
OPERATING REVENUES	
Food Sales	\$ 90,578
State Sources	16,630
Federal Sources	<u>1,027,487</u>
Total Operating Revenues	<u>1,134,695</u>
OPERATING EXPENSES	
Food, Supplies and Materials	<u>971,229</u>
Total Operating Expenses	<u>971,229</u>
Operating Income (Loss)	<u>163,466</u>
NON-OPERATING REVENUES	
Capital Contributions	<u>294,655</u>
Total Non-Operating Revenue	<u>294,655</u>
 Change in Net Position	 458,121
 Total Net Position - Beginning	 <u>205,502</u>
Total Net Position - Ending	<u><u>\$ 663,623</u></u>

See accompanying notes to the financial statements.

**School District of Wisconsin Dells
Wisconsin Dells, Wisconsin**

**Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021**

	<u>Food Service</u>
Cash Flows from Operating Activities:	
Cash received from user charges	\$ 87,060
Cash received from other governmental payments	1,026,559
Cash payments to employees for services	(443,336)
Cash payments to utilities and other purchased services	(12,984)
Cash payments to suppliers for goods and services	(516,801)
Net cash provided (used) by operating activities	<u>140,498</u>
Cash Flows from Investing Activities:	
Purchase of capital assets	<u>(5,310)</u>
Net cash provided (used) by investing activities	<u>(5,310)</u>
Net increase (decrease) in cash and cash equivalents	135,188
Cash and equivalents- beginning of year	<u>173,880</u>
Cash and equivalents- end of year	<u><u>\$ 309,068</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 163,466
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	23,694
Pension expense	(39,343)
OPEB Expense	11,994
Changes in assets and liabilities:	
Due to (from) other governments	(18,763)
Due to (from) other funds	1,205
Payroll, payroll taxes, insurance	1,763
Deposit payable	(3,518)
Net cash provided (used) by operating activities	<u><u>\$ 140,498</u></u>
Noncash operating activities:	
Capital Contribution	\$ 294,655
Donated food commodities	63,497
Total Noncash operating activities	<u><u>\$ 358,152</u></u>

See accompanying notes to the financial statements.

School District of Wisconsin Dells
Wisconsin Dells, Wisconsin

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	<u>Postemployment Employee Benefit Trust Funds</u>
ASSETS	
Cash and Investments	\$ 2,470,789
Due from Other Funds	150,000
Total Assets	<u>\$ 2,620,789</u>
 NET POSITION	
Restricted for Post Employment Benefits	\$ 2,620,789
Total Net Position	<u>\$ 2,620,789</u>

See accompanying notes to the financial statements.

**School District of Wisconsin Dells
Wisconsin Dells, Wisconsin**

**Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2021**

	Postemployment Employee Benefit Trust Funds
ADDITIONS	
Employer contributions	\$ 728,651
Retiree contributions	72,943
Interest & dividend income	41,210
Total additions	<u>842,804</u>
DEDUCTIONS	
Investment loss:	
Trust fund disbursements	<u>551,594</u>
Total deductions	<u>551,594</u>
Change in net position	<u>291,210</u>
Net position - Beginning	<u>2,329,579</u>
Net position - Ending	<u><u>\$ 2,620,789</u></u>

See accompanying notes to the financial statements.

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

1. Summary of Significant Accounting Policies

A. Introduction

The School District of Wisconsin Dells (the "District") is organized as a common school district. The District, governed by a seven-member elected school board, operates grades Kindergarten through 12 and is comprised of all or parts of fifteen taxing districts. As required by accounting principles generally accepted in the United States of America, these financial statements present the District as the primary government.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the District are described below.

B. Component Units

Accounting principles generally accepted in the United States of America require that these financial statements include the primary government and its component units. Component units are separate organizations that are included in the District's reporting entity because of the significance of their operational or financial relationships with the District. All significant activities and organizations with which the District exercises oversight responsibility have been considered for inclusion in the basic financial statements. The District has no component units, and it is not included in any other governmental reporting entity.

The reporting entity for the District is based upon criteria set forth by the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*. The financial reporting entity consists of (a) organization for which the stand-alone government is financially accountable and (b) the stand-alone government that is controlled by a separately elected governing body that is legally separate and is fiscally independent. All of the accounts of the District comprise the stand-alone government.

C. District-Wide Statements

The Statement of Net Position and the Statement of Activities present financial information about the District's governmental and business-type activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for business-type activities and each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

1. Summary of Significant Accounting Policies (Continued)

D. Fund Financial Statements

The fund statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as other governmental funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal value. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

Funds are organized as major funds or non-major funds within the governmental and fiduciary statements. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

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

Governmental Funds

Governmental funds are those funds through which most governmental functions are typically financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The District has presented the following major governmental funds:

General Fund – The general fund is the operating fund of the District. It is used to account for all financial resources of the District except those required to be accounted for in other funds. This includes the General Fund (Fund 10) and the Special Education Fund (Fund 27), which accounts for activities associated with providing educational programs for students with disabilities. Excess expenditures in Fund 27 are financed with a transfer from Fund 10.

Debt Service Fund – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental activities.

Capital Projects Fund – This fund accounts for the resources restricted for the acquisition or construction of specific capital projects or items.

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

1. Summary of Significant Accounting Policies (Continued)

D. Fund Financial Statements (Continued)

The District also has the following non-major funds:

- Special Revenue Trust Fund
- Community Service Fund
- Title IV Native American Fund
- Capital Improvements Fund

Proprietary Fund

Food Service Fund – This fund accounts for the activities of the District's food service, generally school hot lunch program.

Fiduciary Fund (Not included in District-Wide Statements)

Post-Employment Benefit Trust Fund – This is a separate accounting fund for reporting resources set aside and held in a trust arrangement for post-employment benefits.

E. Measurement Focus and Basis of Accounting

The district-wide, proprietary, and fiduciary fund financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized at the time the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Deferred outflows of resources represent a consumption of resources that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of resources that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Unbilled receivables are recorded as revenues when services are provided.

Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

1. Summary of Significant Accounting Policies (Continued)

E. Measurement Focus and Basis of Accounting (Continued)

Expenditures are generally recognized under the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures when paid. Interest cost on temporary borrowing is recognized as an expenditure of the fiscal period incurred. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes are recognized as revenue in the period for which the taxes are levied if they are due in the current year and available to pay current liabilities. The 2020 tax levy is used to finance operations of the District's fiscal year ended June 30, 2021. All property taxes are considered due on January 1, when an enforceable lien is assessed against the property and the taxpayer is liable for the taxes. All taxes are collected within 60 days of June 30 and are available to pay current liabilities.

State general and categorical aids, federal impact aid, and other entitlements are recognized as revenue at the time of receipt, or earlier if the "susceptible to accrual" criteria are met. Expenditure-driven programs currently reimbursable are recognized as revenue when the qualifying expenditures have been incurred. Aids received prior to meeting revenue recognition criteria are recorded as deferred inflows.

Under the terms of the grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the District's policy to first apply the cost-reimbursement grant resources to such programs, followed by general revenues.

Reports for the District's Food Service Fund are prepared following the Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or after November 30, 1989; Accounting Principles Board Opinions; and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

Interest income on temporary investments is recognized in the fiscal period earned.

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

1. Summary of Significant Accounting Policies (Continued)

F. Cash and Investments

The District's cash and equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. All funds share common (pooled) checking and investing accounts unless regulations require separate investment accounts. The Debt Service Fund and Capital Projects Fund account for their transactions through separate and distinct bank and investment accounts. In addition, trust funds use separate and distinct accounts.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Fair value of investments in the Local Government Investment Pool (LGIP) is based on information provided by the State of Wisconsin Investment Board.

See footnote 3 for additional information.

G. Receivables and Payables

Taxes

The aggregate District tax levy is apportioned and certified in November of the current fiscal year for collection to the comprising municipalities based on the immediate past October 1 full or "equalized" taxable property values. As permitted by a collecting municipality's ordinance, taxes may be paid in full or two or more installments with the first installment payable the subsequent January 31, and the final payment no later than the following July 31. On or before January 15, and by the 20 of each subsequent month thereafter, the District is paid by the collecting municipalities its proportionate share of tax collections received through the last day of the preceding month. On or before August 20, the County Treasurer makes full settlement to the District for any remaining balance. The County assumes all responsibility for delinquent real property taxes.

Interfunds

The current portion of lending/borrowing arrangements between funds is identified as "due to/from other funds." The noncurrent portion of outstanding balances between funds is reported as "advances to/from other funds." Advances between funds are offset by a non-spendable fund balance account to indicate that they are not available for appropriation and are not expendable available financial resources. Eliminations have been made for amounts due to and due from within the same fund type. See Note 5 for a detailed description of the interfund balances as of June 30, 2021.

Accounts Receivable

All accounts receivables are shown as gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance is not material.

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

1. Summary of Significant Accounting Policies (Continued)

H. Other Assets

Expendable supplies or noncapital items acquired for initial use in subsequent fiscal periods are recorded as inventories and/or prepaid expenses. Prepaid insurance or service contracts are not recorded unless their recognition as an expenditure would result in more than one year's cost being recorded. Inventory and prepaid supplies are valued at the lower of cost (first-in, first-out method) or market. Inventory consists of expendable supplies held for consumption. Costs are recorded as expenditures at the time individual inventory items are consumed.

I. Capital Assets

Capital assets are reported at actual cost for acquisition subsequent to June 30, 2004. For assets acquired prior to June 30, 2004, estimated historical costs and actual costs, based on appraisals conducted by an independent third-party professional appraisal firm, are used. Donated assets are reported at estimated acquisition value at the time received.

Capitalization thresholds (the dollar valued above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the district-wide statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings	\$5,000	Straight-line	50 years
Site improvements	\$5,000	Straight-line	20 years
Furniture and equipment	\$5,000	Straight-line	5 - 20 years
Computer and related hardware	\$5,000	Straight-line	5 years
Software	\$5,000	Straight-line	10 -15 years
Library books	\$5,000	Straight-line	10 years
Textbooks	\$5,000	Straight-line	10 years

J. Other Obligations

Compensated Absences

The District reports compensated absences in accordance with the provisions of GASB statement No. 16, *Accounting for Compensated Absences*. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for benefits through paid time off or some other means. The District employees are granted vacation in varying amounts, based on length of service. Vacation leave earned in the preceding year must be used within one year of the employee's anniversary date. They may carry over to the following year up to two weeks of their annual vacation or receive a cash payout for up to two weeks.

The District's policy allows employees to earn varying amounts of sick pay for each year employed, accumulating to a maximum vested amount of 200 days for teachers, 120 days for full-time support staff, and no maximum for administrators, supervisors and non-represented support staff. Upon retirement or termination of employment, the employee is entitled to a per qualifying day payout, based upon the appropriate labor agreement.

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

1. Summary of Significant Accounting Policies (Continued)

J. Other Obligations (Continued)

The entire compensated absences liability is reported on the government-wide financial statements. For governmental fund financial statements, the unpaid compensated absences are not expected to be paid using expendable available resources and, therefore, the liability is not reported.

Retirement Plans - District employees participate in the Wisconsin Retirement System. All contributions made by the District on behalf of its employees are reported as expenditures when paid.

Postemployment Benefits

As provided in applicable District policies, certified district employees meeting a minimum age and length of service requirement may participate in the District's group health, dental and/or life insurance program until Medicare eligibility is obtained. Qualified clerical and classified staff receives up to four years or until Medical eligibility, whichever is earlier of health and dental benefits. The District bears the cost of the employee's participation up to 87.4% of the amount it pays for instructional employees, for the first four years and then the maximum contribution by the District for the remaining years until the retiree is eligible for Medicare, whichever comes first. The unfunded benefit liability is reported on the government-wide financial statements.

K. 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.

L. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (revenue), information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Deferred Outflows and 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 a future period and will not be recognized as an outflow of resources (expenditure) until then. The District has two items that qualify for reporting in this category. The deferred outflows of resources are for the WRS pension system and OPEB plans.

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 which applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. The District has two items that qualify for reporting in this category. The deferred inflows of resources are related to the WRS pension system and OPEB plans.

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

1. Summary of Significant Accounting Policies (Continued)

N. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement for those assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

O. Fund Balance

The School District of Wisconsin Dells reports under provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

Non-spendable – Resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.

Restricted – Resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed – Resources which are subject to limitation the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner.

Assigned – Resources neither restricted nor committed for which a government has a stated intended use as established by the Board of Education or a body or official of which the Board of Education has delegated the authority to assign amounts for specific purposes.

Unassigned – Resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

When restricted and other fund balance resources are available for use, it is the District's policy to use restricted resources first, followed by committed, assigned, and unassigned amounts, respectively.

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

1. Summary of Significant Accounting Policies (Continued)

O. Fund Balance (Continued)

Fund balance amounts are reported in conformance with generally accepted accounting principles and shall be reclassified not less than the end of each fiscal year for general purpose financial statements. The District will report inventories, prepaid expenses, long-term receivables, and amounts legally or contractually required to be maintained intact as non-spendable. The fund balance for the spendable portion of permanent funds and balance, if any, in the special revenue trust fund, debt service funds, food service funds, postemployment benefit trust fund, SAGE funds, and other fund established by regulatory authority will be classified as restricted.

The School Board (the "Board") may commit additional amounts of fund balance to a specific purpose. Such action shall be taken in open meeting and require approval of a majority of the Board. Commitments of fund balance, once made, can be modified only by a majority vote of the Board.

The Board may authorize and direct an individual to assign fund balances for specific purposes; to the extent such an assignment does not create a negative unassigned fund balance. The Board has designated the District Administrator and/or designee to assign funds.

P. Change in Accounting Principle

Effective July 1, 2020, the District adopted GASB statement No. 84, Fiduciary Activities. GASB No. 84 establishes criteria for determining what activities should be reported in the fiduciary funds and requires the recognition of a liability when an event has occurred that requires the disbursement of fiduciary resources.

In accordance with GASB No. 84 guidance, effective July 1, 2020, operations of student activity began to be reported as governmental activities. Prior to implementation of GASB No. 84, these operations were reported as fiduciary activities. Prior period adjustments were recorded as of July 1, 2020 to increase governmental activities net position and governmental fund balances on the statement of net position and statement of revenues, expenditures, and changes in fund balances – governmental funds.

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

1. Summary of Significant Accounting Policies (Continued)

P. Change in Accounting Principle (Continued)

Effective July 1, 2020, prior period adjustments have been recorded in the fund statements as follows:

	Non-Major Governmental Funds	Special Revenue Trust Fund
Fund Balances - Beginning, as Previously Reported	\$ 928,023	\$ 489,776
Prior Period Adjustment - Implementation of GASB Statement No. 84		
Reclassify Pupil Organization Accounts	227,234	227,234
Net Increase	227,234	227,234
Fund Balances - Beginning, as Restated	<u>\$ 1,155,257</u>	<u>\$ 717,010</u>

The pupil organization accounts were reported as an agency fund in prior years and did not have net position. As of June 30, 2020, the \$227,234 of pupil organization accounts were reported as liabilities.

Effective July 1, 2020, prior period adjustments have been recorded in the statement of activities as follows:

	Governmental Activities
Net Position - Beginning, as Previously Reported	\$ 39,148,048
Prior Period Adjustment - Implementation of GASB Statement No. 84	
Reclassify Pupil Organization Accounts	227,234
Net Increase	227,234
Net Position - Beginning, as Restated	<u>\$ 39,375,282</u>

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

2. Explanation of Certain Differences between Governmental Fund Statements and District-wide Statements

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

Explanation of Differences between Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities

Differences between the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities fall into one of four broad categories:

1. Long-term revenue differences arise because governmental funds report revenues only when they are considered "available," whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used on the Statement of Activities. The long-term expenses reported below recognize the change in vested employee benefits.
2. Capital related differences include (1) the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and (2) depreciation expense on those items as recorded in the Statement of Activities.
3. Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest expense is recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

3. Cash and Investments

For all the District's cash and investments shown below, the market value at the balance sheet date is substantially the same as the fair value. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit. At various times during the year, the District's deposits were higher than the June 30, 2021 balances, detailed below. This means that the District's risk and exposure could be higher at these times.

Depository:	Carrying Amount	Fair Value	Associated Risk
Deposits with financial institutions	\$ 2,173,062	\$ 3,505,189	Custodial credit risk
Mid America Trust	2,470,789	2,470,789	Credit risk, interest rate risk
Local Government Investment Pool	5,334,866	5,334,866	Credit risk, interest rate risk
	<u>\$ 9,978,717</u>	<u>\$ 11,310,844</u>	

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

3. Cash and Investments (Continued)

A reconciliation of cash and investments as shown on the statements is as follows:

District-Wide Statement of Net Position:	
Cash and investments	\$ 7,507,928
Fiduciary funds:	
Employee Benefit Trust Fund	2,470,789
	<u>\$ 9,978,717</u>

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. All investments are valued at amortized cost by the SIF for purposes of calculating earnings to each participant. Specifically, the SIF distributes income to pool participants monthly, based on their average daily share balance. Distributions include interest income based on stated rates (both paid and accrued), amortization of discounts and premiums on a straight-line basis, realized investment gains and losses calculated on an amortized cost basis, and investment expenses. This method does not distribute to participants any unrealized gains or losses generated by the pool's investments. Detailed information about the SIF is available in separately issued financial statements available at <https://doa.wi.gov/Pages/StateFinances/LGIP.aspx>. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At June 30, 2021, the fair value of the District's share of the LGIP's assets was substantially equal to the carrying value. Information on derivatives was not available to the District.

SWIB may invest in obligations of the U.S. Treasury and its agencies, Commercial Paper, Bank Time Deposits/Certificates of Deposit, Bankers' Acceptances, Asset Backed Securities and Repurchase Agreements secured by the U.S. Government or its agencies and other instruments authorized under State Investment Fund Investment guidelines.

Investment allocation in the local government investment pool as of June 30, 2021 was: 95.48% in U.S. Government Securities, 3.45% in Commercial Paper and Corporate Notes, and 1.07% in Certificates of Deposit, Bankers' Acceptances and Time Deposits. The Wisconsin State Treasurer updates the investment allocations on a monthly basis.

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following: time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local governmental investment pool.

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

3. Cash and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater sensitivity its fair value has to changes in market interest rates. The District's investment policy minimizes this risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby, avoiding the need to sell securities on the open market prior to maturity.

Investment Type	Investment Maturities				
	Fair Value	Less Than 6 Months	6 Months to 1 Year	1 Year to 3 Years	More Than 3 Years
Local Government Investment Pool	\$ 5,334,866	\$ 5,334,866	\$ -	\$ -	\$ -
Employee Benefit Trust Investments	2,470,789	-	-	-	2,470,789
Total	<u>\$ 7,805,655</u>	<u>\$ 5,334,866</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,470,789</u>

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. As of June 30, 2021, the District's investment in the Wisconsin Local Government Investment Pool was not rated.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District would not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the District would not be able to recover the value of its investment of collateral securities that are in the possession of another party. The District's investment policy eliminates this risk by permitting brokers hold investments only to the extent there is SIPC and excess SIPC coverage available. Securities purchases that exceed available SIPC coverage shall be transferred to the District custodian. Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts and \$250,000 for demand deposits accounts. Bank accounts and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of \$400,000.

As of June 30, 2021, \$2,583,160 of the District's deposits with financial institutions totaling \$3,522,174 was exposed to custodial risk beyond the FDIC and State Deposit Guarantee Fund coverage described above. Of the amount exposed to custodial credit risk, all deposits are collateralized by securities with a fair value of \$4,289,940. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

4. Fair Value Measurement

Financial assets required to be measured on a recurring basis are classified under a three-tier hierarchy for fair value investments. Fair value is the amount that would be received to sell an asset, or paid to settle a liability, in an orderly transaction between market participants at the measurements date.

The District uses the following hierarchical disclosure framework:

Level 1 – Measurement based upon quoted prices for identical assets in an active market as of the reporting date.

Level 2 – Measurement based upon marketplace inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Measurement based on the District's assumptions about a hypothetical marketplace because observable market inputs are not available as of the reporting date.

The District uses appropriate valuation techniques based on the available inputs to measure the fair values of its assets and liabilities. When available, the District measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs have the lowest priority.

Assets at Fair Value as of June 30, 2021		
	Fair Value	Level 1
Fixed Annuity Trusts	\$ 2,470,789	\$ 2,470,789
Totals	<u>\$ 2,470,789</u>	<u>\$ 2,470,789</u>

Debt and equity securities classified as Level 1 are valued using prices quoted in active markets for those securities.

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

5. Interfund Activity

Due to/Due from Other Funds

Individual fund interfund receivable and payable balances on June 30, 2021 are as follows:

Due To	Due From	Amount	Purpose
Capital Projects	General Fund	\$ 1,313,403	Construction Costs
Postemployment Employee Benefit Trust Fund	General Fund	150,000	Reimbursement
Subtotal General Fund		<u>1,463,403</u>	
Totals - Fund Financial Statements		1,463,403	
Less: Fund Eliminations and Reclassifications		<u>(1,313,403)</u>	
Total Government-Wide Statement of Net Position		<u><u>\$ 150,000</u></u>	

Transfers

The District had the following interfund transfers:

Fund	Transfer In (Out)	Purpose
Capital Projects Fund	\$ 200,000	Future Capital Improvements
Food Service Fund	294,655	Capital Equipment Contribution
Capital Projects Fund	<u>(294,655)</u>	Capital Equipment Contribution
Subtotal : Fund Financial Statements	<u>200,000</u>	
Less: Fund Eliminations	<u>(200,000)</u>	
Total: District Wide Statement of Activities	<u><u>\$ -</u></u>	

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

6. Capital Assets

Capital asset balances and activity for the year ended June 30, 2021 were as follows:

	Balance 7/1/2020	Additions	Retirements	Balance 6/30/2021
Governmental Activities				
Non-Depreciable Capital Assets:				
Land	\$ 2,104,458	\$ -	\$ -	\$ 2,104,458
Construction in Progress	45,272,810	4,791,539	(45,272,810)	4,791,539
Total Non-Depreciable Capital Assets	<u>47,377,268</u>	<u>4,791,539</u>	<u>(45,272,810)</u>	<u>6,895,997</u>
Capital Assets Being Depreciated				
Land Improvements	1,279,241	1,780,773	-	3,060,014
Buildings and Building Improvements	21,227,832	45,175,904	-	66,403,736
Furniture and Equipment	2,494,565	503,629	-	2,998,194
Vehicles	2,436,729	91,490	(17,112)	2,511,107
Total Capital Assets Being Depreciated	<u>27,438,367</u>	<u>47,551,796</u>	<u>(17,112)</u>	<u>74,973,051</u>
Less Accumulated Depreciation				
Land Improvements	(913,759)	(126,002)	-	(1,039,761)
Buildings and Building Improvements	(10,935,264)	(1,392,555)	-	(12,327,819)
Furniture and Equipment	(1,949,882)	(122,032)	-	(2,071,914)
Vehicles	(1,611,964)	(216,879)	17,112	(1,811,731)
Total Accumulated Depreciation	<u>(15,410,869)</u>	<u>(1,857,468)</u>	<u>17,112</u>	<u>(17,251,225)</u>
Capital Assets Being Depreciated, Net of Depreciation	<u>12,027,498</u>	<u>45,694,328</u>	<u>-</u>	<u>57,721,826</u>
Total Capital Assets Net of Depreciation	<u>\$ 59,404,766</u>	<u>\$ 50,485,867</u>	<u>\$ (45,272,810)</u>	<u>\$ 64,617,823</u>
Business type activities				
Capital Assets Being Depreciated				
Furniture and Equipment	\$ 155,748	\$ 299,965	\$ -	\$ 455,713
Total Capital Assets Being Depreciated	<u>155,748</u>	<u>299,965</u>	<u>-</u>	<u>455,713</u>
Less Accumulated Depreciation				
Furniture and Equipment	(111,704)	(23,694)	-	(135,398)
Total Accumulated Depreciation	<u>(111,704)</u>	<u>(23,694)</u>	<u>-</u>	<u>(135,398)</u>
Total Capital Assets Net of Depreciation	<u>\$ 44,044</u>	<u>\$ 276,271</u>	<u>\$ -</u>	<u>\$ 320,315</u>

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

6. Capital Assets (Continued)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 15,419
Vocational Instruction	5,655
Special Education Instruction	790
Other Instruction	7,102
School Building Administration	694
Operations and Maintenance of Plant	232,248
Pupil Transportation Service	208,034
Central Services	12,262
Depreciation not charged to a specific function	1,375,264
	<u>\$ 1,857,468</u>

7. Long-term Obligations

Long-term obligations of the District are as follows:

	Balance 7/1/2020	Increase	Decrease	Balance 6/30/2021	Amount Due Within One Year
G.O. Bonds	\$ 29,540,000	\$ -	\$ (1,130,000)	\$ 28,410,000	\$ 1,015,000
Premium on Debt	1,403,760	-	(121,297)	1,282,463	-
Subtotal G.O. Debt	30,943,760	-	(1,251,297)	29,692,463	1,015,000
Capital Leases	77,337	234,381	(64,433)	247,285	79,366
Compensated Absences	80,445	-	(11,163)	69,282	-
Total Long-Term Obligations	<u>\$ 31,101,542</u>	<u>\$ 234,381</u>	<u>\$ (1,326,893)</u>	<u>\$ 30,009,030</u>	<u>\$ 1,094,366</u>

Payments on bonds and variable rate notes are made by the Debt Service Fund. Payments on capital leases are made by the General Fund. Vested employee benefits will be liquidated by several of the governmental funds.

The District does not currently have any long-term liabilities for business-type activities.

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

7. Long-term Obligations (Continued)

General Obligation Debt

All general obligation debt is secured by the full faith and credit and unlimited taxing powers of the District. General obligation debt at June 30, 2021 is comprised of the following individual issues:

Description	Issue Dates	Interest Rate %	Dates of Maturity	Balance	Amount Due Within One Year
Qualified School Construction Bonds	9/7/2010	4.50%	3/1/2022	\$ 225,000	\$ 225,000
G.O. Refunding Bonds	3/4/2019	3.00-5.00%	3/1/2035	12,770,000	-
G.O. Refunding Bonds, Series 2019B	3/18/2019	3.25-4.00%	3/1/2039	9,100,000	-
G.O. Promissory Note	1/6/2020	2.00-4.00%	3/1/2027	6,315,000	790,000
Total General Obligation Debt				<u>\$ 28,410,000</u>	<u>\$ 1,015,000</u>

The legal debt limit and margin of indebtedness as of June 30, 2021, in accordance with §67.03(1)(b) of the Wisconsin statutes follows:

Debt Limit (10% of \$2,950,288,252)	\$ 295,028,825
Deduct long-term debt applicable to debt margin	<u>(28,410,000)</u>
Margin of indebtedness	<u>\$ 266,618,825</u>

Aggregate cash flow requirements for the retirement of long-term principal and interest as of June 30, 2021 are as follows:

Year Ended June 30,	Principal	Interest	Total
2022	\$ 1,015,000	\$ 1,086,144	\$ 2,101,144
2023	1,045,000	1,015,869	2,060,869
2024	1,060,000	984,519	2,044,519
2025	1,105,000	942,119	2,047,119
2026	1,140,000	897,919	2,037,919
2027-2031	7,180,000	3,789,500	10,969,500
2032-2036	9,280,000	2,294,763	11,574,763
2037-2039	6,585,000	457,437	7,042,437
Totals	<u>\$ 28,410,000</u>	<u>\$11,468,270</u>	<u>\$ 39,878,270</u>

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

7. Long-term Obligations (Continued)

Capital Leases

The District incurred two capital leases in 2018 for the purchase of computer equipment. Assets purchased under the capital lease totaled \$165,290, is to be repaid in annual installments through July of 2022. In 2021, the District incurred four capital leases for the purchase of computer equipment and printers. Assets purchased under the capital lease totaled \$234,381, is to be repaid in annual installments through July of 2026.

The following is a schedule by years of future minimum lease payments under capital lease together with the present value of the net minimum lease payments as of June 30, 2021.

Year Ended June 30,	
2022	\$ 90,572
2023	54,653
2024	54,653
2025	42,398
2026	32,221
Total Payments	274,497
Less: Interest	(27,212)
Minimum Lease Payments:	<u>\$ 247,285</u>

8. Self-Funded Insurance Program

On September 1, 2006, the District established a self-funded dental benefit plan for its employees. The Plan administrator and named fiduciary, School District of Wisconsin Dells, and the claims administrator, Delta Dental of Wisconsin, are responsible for the approval, processing, and payment of claims, after which they bill the District for reimbursement. The District is also responsible for a monthly administrative fee. The Plan reports on a fiscal year ending June 30, 2021.

Accounting and budgeting requirements for the Plan are established by the Wisconsin Department of Public Instruction. Currently, the Plan is accounted for in the General Fund of the District.

The District had no stop-loss coverage for dental care coverage of the Plan.

At June 30, 2021, the District has reported a liability of \$12,685, which represents unreported claims which were incurred on or before June 30, 2021, but were not paid by the District as of that date. This liability was determined by the claim's administrator.

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

8. Self-Funded Insurance Program (Continued)

Changes in the claims liability for the year ended June 30, 2021 are as follows:

	Year Ended June 30, 2021	Year Ended June 30, 2020
Estimated claims outstanding July 1	\$ 22,201	\$ 16,500
Current year claims and changes in estimates	195,339	198,131
Claim payments	(204,855)	(192,430)
Estimated claims outstanding June 30	<u>\$ 12,685</u>	<u>\$ 22,201</u>

9. Other Post-Employment Benefits (OPEB) Plan

A. District Sponsored Other Postemployment Benefits

At June 30, 2021, the District's net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OEPB liability was determined by an actuarial valuation as of June 30, 2019.

Plan Description. The District's defined benefit OPEB plan, The School District of Wisconsin Dells Retirement Benefits Plan (SDWDRBP), provides OPEB for all eligible employees of the District. SDWDRBP is a single-employer defined benefit OPEB plan administered by MidAmerica Administrative & Retirement Solutions, Inc. Benefits and eligibility for teachers and certain support staff are established and amended by the governing body.

Benefits Provided. SDWDRBP provides healthcare and prescription drug benefits for retirees and their dependents. Benefits are provided through a third-party insurer, and the full cost of the benefits is covered by the plan.

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

9. Other Post-Employment Benefits (OPEB) Plan (Continued)

Employees Covered by Benefit Terms

At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	28
Inactive employees entitled to but not yet receiving benefit payments	38
Active employees	210
	276

Contributions. The School District of Wisconsin Dells governing body has the authority to establish and amend the contribution requirements of the District and employees. The Board establishes rates based on an actuarially determined rate. For the year ended June 30, 2021, the District's average contribution rate was 6.0 percent of covered-employee payroll. Employees are not required to contribute to the plan.

Net OPEB Liability. The District's total OPEB Liability of \$6,375,582 was measured at June 30, 2020, and was determined by an actuarial valuation as of June 30, 2019.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless other specified:

Inflation	2.0 percent
Salary increases	3 percent, average, including inflation
Discount rate	2.25 percent
Healthcare cost trend rates	Actual increases in the first year then 7.50% decreasing by .50% per year down to 6.50%, then down by 0.10% per year down to 5.0%, and level thereafter

Mortality, disability and retirement rates were based on an experience study conducted in 2018 using Wisconsin Retirement System (WRS) experience from 2015-17.

Discount Rate. The discount rate used to measure the total net OPEB liability was 2.25%. The projection of cash flows used to determine the discount rate assumed that the District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the net OPEB liability. The long-term expected rate of return is equal to the discount rate.

The discount rate is based on the Bond Buyer Go 20-Year AA Bond Index published by the Federal Reserve for the week at the beginning of the measurement date.

The current investment allocation of the District's OPEB plan's asset classes are as follows: 99.5% - exchange-traded funds, .5% - cash equivalents and accrued dividends.

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

9. Other Post-Employment Benefits (OPEB) Plan (Continued)

	Increase (Decrease)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at 6/30/2019	<u>\$ 7,643,364</u>	<u>\$ 2,226,008</u>	<u>\$ 5,417,356</u>
Changes for the year:			
Service cost	584,695	-	584,695
Interest	268,647	-	268,647
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes in assumptions or other inputs	728,625	-	728,625
Contributions - employer	-	584,205	(584,205)
Net investment income	-	39,536	(39,536)
Benefit payments	(520,170)	(520,170)	-
Administrative expense	-	-	-
Net Changes	<u>1,061,797</u>	<u>103,571</u>	<u>958,226</u>
Balance at 6/30/2020	<u>\$ 8,705,161</u>	<u>\$ 2,329,579</u>	<u>\$ 6,375,582</u>

There were no changes of benefit terms.

The actuarial valuation was performed as of June 30, 2019. Since assets are held in a fixed interest account, the discount rate was changed to be reflective of a 20-year AA municipal bond rate (2.25%) as of the measurement date. All other assumptions and methods remained unchanged from the valuation performed as of June 30, 2019.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current discount rate:

		1% Decrease 1.25%	Current Discount Rate 2.25%	1% Increase 3.25%
Net OPEB Liability	6/30/2020	<u>\$ 7,001,869</u>	<u>\$ 6,375,582</u>	<u>\$ 5,787,957</u>

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

9. Other Post-Employment Benefits (OPEB) Plan (Continued)

Sensitivity of the Total OPEB Liability to Changes in Healthcare Cost Trend Rates. The following represents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.5 percent decreasing to 4.0 percent) or 1-percentage-point higher (8.5 decreasing to 6.0 percent) than the current healthcare cost trend rates:

		1% Decrease (6.5% decreasing to 4.0%)	Healthcare Cost Trend Rates (7.5% decreasing to 5.0%)	1% Increase (8.5% decreasing to 6.0%)
Net OPEB Liability	6/30/2020	<u>\$ 5,504,353</u>	<u>\$ 6,375,582</u>	<u>\$ 7,402,347</u>

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB. For the year ended June 30, 2021, the District recognized OPEB expense of \$97,297. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 151,954	\$ (618,238)
Changes of assumptions or other inputs	1,182,996	(403,111)
Net difference between projected and actual earnings on OPEB plan investments	86,196	-
Contributions subsequent to the measurement date	728,651	-
Total	<u>\$ 2,149,797</u>	<u>\$ (1,021,349)</u>

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

9. Other Post-Employment Benefits (OPEB) Plan (Continued)

\$728,651 reported as deferred outflows related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	Net Deferred Outflows (Inflows) of Resources
2022	\$ 63,629
2023	55,601
2024	46,817
2025	37,149
2026	29,250
Thereafter	167,351
Total	<u>\$ 399,797</u>

B. Local Retiree Life Insurance Fund

Other Post-Employment Benefits (OPEB). The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to the other post-employment benefits, OPEB expenses, and information about the fiduciary net position of the LRLIF and additions to/ deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plan Description. The Local Retiree Life Insurance Fund (LRLIF) is a multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides post-employment life insurance benefits for all eligible employees.

OPEB Plan Fiduciary Net Position. ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>

Benefits Provided. The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

Contributions. The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a post-retirement benefit.

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

9. Other Post-Employment Benefits (OPEB) Plan (Continued)

Employers are required to pay the following contributions based on employee contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the employee premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of June 30, 2021 are:

Coverage Type	Employer Contribution
25% Post Retirement Coverage	20% of Member Contribution

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2019 are as listed below:

Life Insurance Employee Contribution Rates* For the year ended December 31, 2020		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

*Disabled members under age 70 receive a waiver-of-premium benefit.

During the reporting period, the LRLIF recognized \$595 in contributions from the employer.

OPEB Liabilities, OPEB Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At June 30, 2021, the District reported a liability (asset) of \$164,208 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2020 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net OPEB liability (asset) was based on the District's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2020, the District's proportion was 0.02985200%, which was an increase of .00216% from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the School District of Wisconsin Dells recognized OPEB expense of \$21,401.

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

9. Other Post-Employment Benefits (OPEB) Plan (Continued)

At June 30, 2021, the School District of Wisconsin Dells reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (7,836)
Net differences between projected and actual earnings on plan investments	2,391	-
Changes in actuarial assumptions	63,879	(11,267)
Changes in proportion and differences between employer contributions and proportionate share of contributions	9,384	(1,881)
Employer contributions subsequent to the measurement date	-	-
Totals	<u>\$ 75,654</u>	<u>\$ (20,984)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (revenue) as follows:

Year Ended June 30:	Net Deferred Outflows (Inflows) of Resources
2022	\$ 10,136
2023	9,878
2024	9,612
2025	8,708
2026	10,882
Thereafter	5,454
Total	<u>\$ 54,670</u>

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

9. Other Post-Employment Benefits (OPEB) Plan (Continued)

Actuarial Assumptions. The total OPEB liability in the January 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2020
Measurement Date of Net OPEB Liability (Asset)	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.12%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.25%
Salary Increases	
Inflation:	3.00%
Seniority/Merit:	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total OPEB Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the January 1, 2020 actuarial valuation.

Long-term Expected Return on Plan Assets. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A-Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

9. Other Post-Employment Benefits (OPEB) Plan (Continued)

Local OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2020

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
US Credit Bonds	Barclays Credit	50%	1.47%
US Mortgages	Barclays MBS	50%	0.82%
Inflation			2.20%
Long-Term Expected Rate of Return			4.25%

The long-term expected rate of return and expected inflation rate remained unchanged from the prior year at 4.25% and 2.20% respectively. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

Single Discount Rate. A single discount rate of 2.25% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 2.87% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.74% as of December 31, 2019 to 2.12% as of December 31, 2020. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

9. Other Post-Employment Benefits (OPEB) Plan (Continued)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate. The following presents the School District of Wisconsin Dells' proportionate share of the net OPEB liability (asset) calculated using the discount rate of 2.25 percent, as well as what the Deerfield Community School District's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate:

	1% Decrease to Discount Rate (1.25%)	Current Discount Rate (2.25%)	1% Increase to Discount Rate (3.25%)
District's proportionate share of the net OPEB liability (asset)	\$ 223,369	\$ 164,208	\$ 119,465

OPEB Plan Fiduciary Net Position. Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can be found at <https://etfonline.wi.gov/ETFGASBPublicWeb/gasb75Local.do>

10. Pension Plan

Plan Description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

Vesting. For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits Provided. Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings are the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

10. Pension Plan (Continued)

Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

Post-Retirement Adjustments. The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the "floor") set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$762,502 in contributions from the employer.

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

10. Pension Plan (Continued)

Contribution rates as of June 30, 2021 are:

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.75%	6.75%
Protective with Social Security	6.75%	11.75%
Protective without Social Security	6.75%	16.35%

Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2021, the District reported a liability (asset) of (\$4,271,224) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2020, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability (asset) was based on a projection of the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2020, the District's proportion was 0.06841469%, which was a decrease of 0.00044604% from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the District recognized pension revenue of \$453,584.

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,181,772	\$ (1,331,542)
Net differences between projected and actual earnings on pension plan investments	-	(8,018,875)
Changes in assumptions	96,879	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	11,745	(9,314)
Employer contributions subsequent to the measurement date	479,024	-
Total	\$ 6,769,420	\$ (9,359,731)

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

10. Pension Plan (Continued)

\$479,024 reported as deferred outflows of resources related to pension resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense (revenue) as follows:

Year Ended June 30:	Net Deferred Outflows (Inflows) of Resources
2022	\$ (786,206)
2023	(211,643)
2024	(1,454,857)
2025	(616,629)
2026	-
Total	<u>\$ (3,069,335)</u>

Actuarial Assumptions. The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2019
Measurement Date of Net Pension Liability (Asset):	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-Retirement Adjustments	1.9%*

*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The total pension liability (asset) for December 31, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

10. Pension Plan (Continued)

Long-Term Expected Return on Plan Assets. The long-term expected rate of return on pension 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 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. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Allocation Targets and Expected Returns
As of December 31, 2020

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	51	7.2	4.7
Fixed Income	25	3.2	0.8
Inflation Sensitive Assets	16	2.0	(0.4)
Real Estate	8	5.6	3.1
Private Equity/Debt	11	10.2	7.6
Multi-Asset	4	5.8	3.3
Total Core Fund	115	6.6	4.1
Variable Fund Asset Class			
U.S. Equities	70	6.6	4.1
International Equities	30	7.4	4.9
Total Variable Fund	100	7.1	4.6

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.4%

Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations

Single Discount Rate. A single discount rate of 7.00% was used to measure the Total Pension Liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.00% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2020. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single 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 was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

10. Pension Plan (Continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
District's proportionate share of the net pension liability (asset)	\$ 4,065,613	\$ (4,271,224)	\$ (10,394,568)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-andstatements>

11. Net Position

Net position reported on the government-wide statement of net position as of June 30, 2021 includes the following:

Governmental

Capital Assets, Net	\$ 64,617,823
Less: Capital Lease	(247,285)
Less: Long Term Debt, Net of Premium	(29,692,463)
Plus: Unspent Bond Proceeds	1,594,795
Net Investment in Capital Assets	<u>\$ 36,272,870</u>

Business-Type Activities

Capital Assets, Net	\$ 320,315
Net Investment in Capital Assets	<u>\$ 320,315</u>

School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021

12. Fund Balance

The following is a detailed schedule of ending fund balances as reported in the fund financial statements by category:

	General Fund	Debt Service	Capital Projects	Other Governmental Funds	Total
Restricted For:					
Common School Fund	\$ 8,792	\$ -	\$ -	\$ -	\$ 8,792
Self-funded insurance	202,207	-	-	-	202,207
Debt Service Funds	-	606,467	-	-	606,467
Special Revenue Fund	-	-	-	884,340	884,340
Long Term Capital Improvement Fund	-	-	-	619,667	619,667
Capital Projects	-	-	1,594,795	-	1,594,795
Community Service Fund	-	-	-	25,459	25,459
Total Restricted	<u>210,999</u>	<u>606,467</u>	<u>1,594,795</u>	<u>1,529,466</u>	<u>3,941,727</u>
Committed For:					
CG Schmidt-Athletic Complex	199,627	-	-	-	199,627
HRA employee share of unused high deductible HRA allocations	77,824	-	-	-	77,824
July/August retiree health and dental premiums	92,220	-	-	-	92,220
Total Committed:	<u>369,671</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>369,671</u>
Assigned For:					
HRA reimbursement from 2021 plan year	209,842	-	-	-	209,842
Facility improvement fund proceeds from sale of vacant land	162,352	-	-	-	162,352
3-Year Maintenance Plan-unspent 2020-21 fund for maintenance shed at high school	100,000	-	-	-	100,000
3-Year Maintenance Plan-future solar project at Spring Hill	75,000	-	-	-	75,000
3-year Maintenance Plan revenue from technology education house project	111,475	-	-	-	111,475
2021-22 Budget Deficit	100,000	-	-	-	100,000
Total Assigned:	<u>758,669</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>758,669</u>
Unassigned:	<u>7,273,927</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,273,927</u>
Total Fund Balances	<u>\$ 8,613,266</u>	<u>\$ 606,467</u>	<u>\$ 1,594,795</u>	<u>\$ 1,529,466</u>	<u>\$ 12,343,994</u>

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

13. Limitation on School District Revenues

Wisconsin statutes limit the amount of revenues school districts may derive from general school aids and property taxes unless a higher amount is approved by a referendum. This limitation does not apply to revenues needed for the payment of any general obligation debt service (including refinanced debt) authorized by either of the following:

- A resolution of the school board or by a referendum prior to August 12, 1993.
- A referendum on or after August 12, 1993.

14. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers' compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. There has been no reduction in insurance coverage in the prior year. Settled claims have not exceeded the commercial coverage in any of the past three years.

15. Jointly Governed Organization

The District is served by Cooperative Education Service Agency No. 5 (CESA). CESA is a regional service entity organized to serve the education needs of 35 school districts in all or parts of Adams, Clark, Columbia, Dane, Dodge, Green Lake, Jackson, Juneau, Marathon, Marquette, Monroe, Portage, Sauk, Waupaca, Waushara, and Wood Counties. CESA is governed by an 11-member board of control elected from a delegate assembly, which consists of one school board member from each of the school districts in the CESA region, with special provisions made for areas served by union high/K-8 districts. Participating school districts have neither an ongoing financial interest nor responsibility.

16. Contingencies and Commitments

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

The District passed a referendum to build a new high school and athletic complex. During fiscal year 2021, the high school was completed and placed in service. The athletic complex was not completed as of June 30, 2021 and is considered a work in progress. As of June 30, 2021, remaining costs related to the project are estimated to be approximately \$2 million dollars.

**School District of Wisconsin Dells
Notes to Financial Statements
For the Year Ended June 30, 2021**

17. Subsequent Events

In December 2021, the District received a donation related to the construction of a performing arts center. The center will be built on land being donated to the District, connected to the new high school. Construction costs are estimated to be about \$12 million dollars and the project is projected to start in July 2022.

18. Effect of New Accounting Standards on Current Financial Statements

The Governmental Accounting Standards Board GASB has adopted GASB Statement No. 87, Leases, GASB Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period, GASB Statement No. 91, Conduit Debt Obligations, and GASB Statement No. 96, Subscription-Based Information Technology Arrangements. When these become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

School District of Wisconsin Dells
Wisconsin Dells, Wisconsin

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Local	\$ 16,922,828	\$ 16,887,531	\$ 16,870,185	\$ (17,346)
Interdistrict	823,435	940,485	940,412	(73)
Intermediate	34,764	11,686	11,551	(135)
State	3,863,994	3,825,787	3,825,982	195
Federal	525,560	1,098,007	982,148	(115,859)
Other	60,600	158,866	166,922	8,056
Total Revenues	<u>22,231,181</u>	<u>22,922,362</u>	<u>22,797,200</u>	<u>(125,162)</u>
EXPENDITURES				
Instruction				
Regular Instruction	10,434,018	10,442,562	10,189,476	253,086
Vocational Instruction	532,004	522,765	507,687	15,078
Other Instruction	1,428,928	1,394,854	1,296,801	98,053
Support Services				
Pupil Services	476,086	462,568	434,468	28,100
Instructional Staff Services	1,351,340	1,390,377	1,284,820	105,557
General Administration Services	492,325	490,623	453,840	36,783
Building Administration Services	1,326,495	1,394,604	1,367,245	27,359
Business Services	322,229	330,914	331,730	(816)
Operations and Maintenance of Plant	3,041,143	2,966,542	2,641,467	325,075
Pupil Transportation	865,322	902,325	808,011	94,314
Central Services	67,855	68,155	62,585	5,570
Insurance	269,500	328,805	326,361	2,444
Other Support Services	548,348	691,099	654,342	36,757
Adjustments and Refunds	5,000	16,200	13,518	2,682
Debt Service				
Principal Repayment	41,325	64,701	64,433	268
Interest Expense	5,305	4,988	4,627	361
Total Expenditures	<u>21,207,223</u>	<u>21,472,082</u>	<u>20,441,411</u>	<u>1,030,671</u>
Excess (Deficiency) of				
 Revenues Over Expenditures	<u>1,023,958</u>	<u>1,450,280</u>	<u>2,355,789</u>	<u>905,509</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(1,930,986)	(2,179,471)	(2,033,920)	145,551
Proceeds from Debt	-	234,382	234,381	(1)
Total Other Financing Sources and Uses	<u>(1,930,986)</u>	<u>(1,945,089)</u>	<u>(1,799,539)</u>	<u>145,550</u>
Net Change in Fund Balance	<u>(907,028)</u>	<u>(494,809)</u>	<u>556,250</u>	<u>1,051,059</u>
Fund Balances - Beginning	8,057,016	8,057,016	8,057,016	-
Fund Balances - Ending	<u>\$ 7,149,988</u>	<u>\$ 7,562,207</u>	<u>\$ 8,613,266</u>	<u>\$ 1,051,059</u>

See accompanying notes to the required supplementary information.

**School District of Wisconsin Dells
Wisconsin Dells, Wisconsin**

**Budgetary Comparison Schedule
Special Education Fund
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intermediate	\$ 30,000	\$ 64,879	\$ 65,556	\$ 677
State	692,406	615,231	615,231	-
Federal	482,459	505,938	456,780	(49,158)
Total Revenues	<u>1,204,865</u>	<u>1,186,048</u>	<u>1,137,567</u>	<u>(48,481)</u>
EXPENDITURES				
Instruction				
Special Education Instruction	2,468,113	2,569,969	2,463,793	106,176
Support Services				
Pupil Services	242,354	268,210	245,516	22,694
Instructional Staff Services	178,586	191,295	174,321	16,974
Operation and Maintenance of Plant	500	2,150	1,965	185
Pupil Transportation	139,298	127,212	84,994	42,218
Central Services	2,000	6,683	898	5,785
Total Expenditures	<u>3,030,851</u>	<u>3,165,519</u>	<u>2,971,487</u>	<u>194,032</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,825,986)</u>	<u>(1,979,471)</u>	<u>(1,833,920)</u>	<u>145,551</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,825,986	1,979,471	1,833,920	(145,551)
Total Other Financing Sources (Uses)	<u>1,825,986</u>	<u>1,979,471</u>	<u>1,833,920</u>	<u>(145,551)</u>
Net Change in Fund Balance	-	-	-	-
Fund Balances - Beginning	-	-	-	-
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the required supplementary information.

**School District of Wisconsin Dells
Wisconsin Dells, Wisconsin**

**Reconciliation of Differences Between Budgetary Inflows and Outflows and
GAAP Revenues and Expenditures
For the Year Ended June 30, 2021**

	<u>General Fund</u>	<u>Special Education Fund</u>
A) Sources/Inflows of Resources:		
Actual amounts "total revenues"		
from the budgetary comparison schedules	\$ 22,797,200	\$ 1,137,567
 Reclassification:		
Special education fund revenues are reclassified to the general fund, required for GAAP reporting	<u>1,137,567</u>	<u>(1,137,567)</u>
 The general fund revenues as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds	<u>\$ 23,934,767</u>	<u>\$ -</u>
B) Uses/Outflows of Resources:		
Actual amounts "total expenditures"		
from the budgetary comparison schedules	\$ 20,441,411	\$ 2,971,487
 Reclassification:		
Special education fund expenditures are reclassified to the general fund, required for GAAP reporting	<u>2,971,487</u>	<u>(2,971,487)</u>
 The general fund expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds	<u>\$ 23,412,898</u>	<u>\$ -</u>

See accompanying notes to the required supplementary information.

School District of Wisconsin Dells
District Health Insurance Plan
Schedule of Changes in the District's Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2021

	2020	2019	2018	2017	2016
Total OPEB Liability					
Service costs	\$ 584,695	\$ 519,676	\$ 540,236	\$ 525,604	\$ 525,604
Interest	268,647	287,931	265,138	231,025	227,144
Changes in benefit terms	-	(204,308)	-	-	-
Differences between expected and actual experience	-	(794,878)	-	253,254	-
Changes of assumptions or other inputs	728,625	688,281	(119,750)	(532,142)	-
Benefit payments	(520,170)	(543,301)	(601,844)	(619,178)	(627,611)
Net change in total OPEB	1,061,797	(46,599)	83,780	(141,437)	125,137
Total OPEB Liability - beginning	7,643,364	7,689,963	7,606,183	7,747,620	7,622,483
Total OPEB Liability - ending (a)	\$ 8,705,161	\$ 7,643,364	\$ 7,689,963	\$ 7,606,183	\$ 7,747,620
Fiduciary Net Position					
Contributions - Employer	\$ 584,205	\$ 575,294	\$ 601,844	\$ 819,178	\$ 827,611
Net investment income	39,536	33,291	30,636	29,850	30,912
Benefit payments	(520,170)	(543,301)	(601,844)	(619,178)	(627,611)
Administrative expense	-	-	-	-	-
Net change in fiduciary net position	\$ 103,571	\$ 65,284	\$ 30,636	\$ 229,850	\$ 230,912
Fiduciary net position - beginning	2,226,008	2,160,724	2,130,088	1,900,238	1,669,326
Fiduciary net position - ending (b)	\$ 2,329,579	\$ 2,226,008	\$ 2,160,724	\$ 2,130,088	\$ 1,900,238
Net OPEB Liability					
Net OPEB Liability - ending (a) - (b)	\$ 6,375,582	\$ 5,417,356	\$ 5,529,239	\$ 5,476,095	\$ 5,847,382
Fiduciary net position as a percentage of the total OPEB liability	26.76%	29.12%	28.10%	28.00%	24.53%
Covered payroll	\$ 10,228,701	\$ 10,228,701	\$ 9,871,526	\$ 9,871,526	\$ 9,361,419
Net OPEB liability as a percentage of covered payroll	62.33%	52.96%	56.01%	55.47%	62.46%

See notes to required supplementary information.

School District of Wisconsin Dells
District Health Insurance Plan
Schedule of Changes in the District's Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2021

Schedule Of District Contributions
Last 10 Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially Determined Contribution (ADC)	\$ 899,708	\$ 899,708	\$ 856,887	\$ 856,887	\$ 777,243
Contributions in Relation to the ADC	728,651	584,205	575,294	601,844	819,178
Contribution Deficiency/(Excess)	<u>\$ 171,057</u>	<u>\$ 315,503</u>	<u>\$ 281,593</u>	<u>\$ 255,043</u>	<u>\$ (41,935)</u>
 Covered-Employee Payroll	 \$ 9,357,558	 \$ 10,228,701	 \$ 10,228,701	 \$ 9,871,526	 \$ 9,871,526
 Contributions as a Percentage of Covered-Employee Payroll	 7.79%	 5.71%	 5.62%	 6.10%	 8.30%

See notes to required supplementary information.

**School District of Wisconsin Dells
Wisconsin Dells, Wisconsin
Local Retiree Life Insurance Fund Schedule
June 30, 2021**

**Schedule of District's Proportionate Share of the Net OPEB Liability (Asset)
As of the Measurement Date
Last 10 Calendar Years***

Year ended December 31,	Proportion of the net OPEB liability (asset)	Proportionate share of the net OPEB liability (asset)	Covered- employee payroll	Proportionate share of the net OPEB liability (asset) as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2020	0.02985200%	\$ 164,208	\$ 978,000	16.79%	31.36%
2019	0.02769200%	117,918	694,000	16.99%	37.58%
2018	0.02648100%	68,330	700,000	9.76%	48.69%
2017	0.02767200%	83,253	1,163,687	7.15%	44.81%

** The proportionate share of the net pension liability (asset) and other amounts presented above for each year were determined as of the calendar year-end that occurred 6 months prior to the financial reporting period.*

School District of Wisconsin Dells
Wisconsin Dells, Wisconsin
Wisconsin Retirement System Schedules
June 30, 2021

Schedule of District's Proportionate Share of the Net Pension Liability (Asset)
As of the Measurement Date
Last 10 Calendar Years*

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2020	(0.06841469%)	\$ (4,271,224)	\$ 11,296,307	(37.81%)	105.26%
2019	(0.06886073%)	(2,220,384)	11,007,142	(20.17%)	102.96%
2018	0.06919999%	2,461,918	10,593,090	23.24%	96.45%
2017	(0.07110857%)	(2,111,297)	10,248,881	(20.60%)	102.93%
2016	0.07249599%	597,540	10,090,668	5.92%	99.12%
2015	0.07448115%	1,210,304	10,608,693	11.41%	98.20%
2014	(0.07496184%)	(1,841,268)	10,244,993	(17.97%)	102.74%

* The proportionate share of the net pension liability (asset) and other amounts presented above for each year were determined as of the calendar year-end that occurred 6 months prior to the financial reporting period.

Schedule Of District's Contributions
For The Year Ended
Last 10 Fiscal Years**

Year ended June 30,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered- employee payroll
2021	\$ 781,964	\$ (781,964)	\$ -	\$ 11,584,658	6.75%
2020	748,036	(748,036)	-	11,189,121	6.69%
2019	716,979	(716,979)	-	10,837,615	6.62%
2018	696,099	(696,099)	-	10,248,881	6.79%
2017	665,984	(665,984)	-	10,090,668	6.60%
2016	721,391	(721,391)	-	10,608,693	6.80%
2015	714,937	(714,937)	-	10,244,993	6.98%

**The contribution and other amounts presented above for each fiscal year are based on information that occurred during that fiscal year.

See accompanying notes to the required supplementary information.

School District of Wisconsin Dells
Notes to Required Supplementary Information
For the Year Ended June 30, 2021

1. Budget Schedule

Budgets are adopted each fiscal year for all funds in accordance with Section 65.90 of the Wisconsin Statutes, using the budgetary accounting basis prescribed by the Wisconsin Department of Public Instruction. The legally adopted budget and budgetary expenditure control is exercised at the one-digit function for all funds. Reported budget amounts are as originally adopted or as amended by the School Board resolution.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- Based upon requests from District staff, District administration recommends budget proposals to the School Board.
- The School Board prepares a proposed budget including proposed expenditures and the means of financing them for the July 1 through June 30 fiscal year.
- A public notice is published containing a summary of the budget and identifying the time and place where a public hearing will be held on the proposed budget.
- Pursuant to the public budget hearing, the School Board may alter the proposed budget.
- After the School Board (following the public hearing) adopts the budget, no changes may be made in the amount of tax to be levied or in the amount of the various appropriations and the purposes of such appropriations unless authorized by a 2/3 vote of the entire School Board.

The District is legally required by the State of Wisconsin to maintain and budget separately for a Special Education Fund. GASB Statement No. 54 requires the Special Education Fund to be combined with the General Fund in the basic financial statements. Due to the perspective differences in budgeting, the required supplementary information reports the budgetary comparison information separately for the General Fund and the Special Education Fund.

Except as noted in the previous paragraph, annual budgets are adopted on a basis consistent with U.S generally accepted accounting principles for all governmental and special revenue funds.

Appropriations lapse at year-end unless authorized as a carryover by the School Board.

2. Excess of Actual Expenditures over Budget

The individual funds had no functions that were materially in excess of budgeted amounts for the current year.

3. District Net OPEB Liability Schedules

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 5 preceding years.

Changes of benefit terms. There were no changes of benefit terms during the year.

Changes of assumptions. The discount rate was changed to be reflective of a 20-year AA municipal bond rate (2.25%) as of the measurement date. All other major assumptions and methods remained unchanged from the previous valuation performed.

School District of Wisconsin Dells
Notes to Required Supplementary Information
For the Year Ended June 30, 2021

4. Local Retiree Life Insurance Schedules

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 6 preceding years.

Changes of Benefit Terms. There were no changes of benefit terms for any participating employer in LRLIF.

Changes of Assumptions. The Single Discount Rate assumption used to develop Total OPEB Liability changed from the prior year. Please refer to the Actuarial Assumptions section in Note 9 to the financial statements for additional detail.

5. Wisconsin Retirement System

Governmental Accounting Standards Board Statement No. 68 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 3 preceding years.

Change of Benefit Terms. There were no changes of benefit terms for any participating employer in WRS.

Change of Assumptions. No significant change in assumptions were noted from the prior year.

OTHER SUPPLEMENTARY INFORMATION

**School District of Wisconsin Dells
Wisconsin Dells, Wisconsin**

**Combining Balance Sheet
General Fund
June 30, 2021**

	General Fund	Special Education Fund	Elimination	Total Combined General Fund
Assets				
Cash and investments	\$ 4,684,624	\$ 35,690	\$ -	\$ 4,720,314
Receivables:				
Taxes	6,812,055	-	-	6,812,055
Accounts	12,758	-	-	12,758
Due from other governments	375,821	72,395	-	448,216
Total assets	<u>\$ 11,885,258</u>	<u>\$ 108,085</u>	<u>\$ -</u>	<u>\$ 11,993,343</u>
Liabilities				
Accounts payable	\$ 211,061	\$ -	\$ -	\$ 211,061
Accrued liabilities				
Payroll and related liabilities	1,545,441	105,410	-	1,650,851
Self-fund dental benefits deposits	31,132	2,675	-	33,807
Dental benefit claims payable	12,685	-	-	12,685
Due to other funds	1,463,403	-	-	1,463,403
Deposits payable	8,270	-	-	8,270
Total liabilities	<u>3,271,992</u>	<u>108,085</u>	<u>-</u>	<u>3,380,077</u>
Fund balances				
Restricted	210,999	-	-	210,999
Committed	369,671	-	-	369,671
Assigned	758,669	-	-	758,669
Unassigned	7,273,927	-	-	7,273,927
Total fund balances	<u>8,613,266</u>	<u>-</u>	<u>-</u>	<u>8,613,266</u>
Total liabilities and fund balances	<u>\$ 11,885,258</u>	<u>\$ 108,085</u>	<u>\$ -</u>	<u>\$ 11,993,343</u>

**School District of Wisconsin Dells
Wisconsin Dells, Wisconsin**

**Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - General Fund
For the Year Ended June 30, 2021**

	General Fund	Special Education Fund	Elimination	Total Combined General Fund
REVENUES				
Local	\$ 16,870,185	\$ -	\$ -	\$ 16,870,185
Interdistrict	940,412	-	-	940,412
Intermediate	11,551	65,556	-	77,107
State	3,825,982	615,231	-	4,441,213
Federal	982,148	456,780	-	1,438,928
Other	166,922	-	-	166,922
Total Revenues	22,797,200	1,137,567	-	23,934,767
EXPENDITURES				
Instruction:				
Regular Instruction	10,189,476	-	-	10,189,476
Special Education Instruction	-	2,463,793	-	2,463,793
Vocational Instruction	507,687	-	-	507,687
Other Instruction	1,296,801	-	-	1,296,801
Support Services:				
Pupil Services	434,468	245,516	-	679,984
Instructional Staff Services	1,284,820	174,321	-	1,459,141
General Administration Services	453,840	-	-	453,840
Building Administration Services	1,367,245	-	-	1,367,245
Business Services	331,730	-	-	331,730
Operation and Maintenance of Plant	2,641,467	1,965	-	2,643,432
Pupil Transportation	808,011	84,994	-	893,005
Central Services	62,585	898	-	63,483
Insurance	326,361	-	-	326,361
Other Support Services	654,342	-	-	654,342
Adjustments and Refunds	13,518	-	-	13,518
Debt Service:				
Principal Repayment	64,433	-	-	64,433
Interest Expense	4,627	-	-	4,627
Total Expenditures	20,441,411	2,971,487	-	23,412,898
Excess (Deficiency) of Revenues				
Over Expenditures	2,355,789	(1,833,920)	-	521,869
OTHER FINANCING SOURCES (USES)				
Transfers Out	(2,033,920)	-	1,833,920	(200,000)
Transfers In	-	1,833,920	(1,833,920)	-
Proceeds from Capital Lease	234,381	-	-	234,381
Total Other Financing Sources (Uses)	(1,799,539)	1,833,920	-	34,381
Net Change in Fund Balances	556,250	-	-	556,250
Fund Balance - Beginning	8,057,016	-	-	8,057,016
Fund Balance - Ending	\$ 8,613,266	\$ -	\$ -	\$ 8,613,266

**School District of Wisconsin Dells
Wisconsin Dells, Wisconsin**

**Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2021**

	Special Revenue Trust Fund	Capital Improvements Fund	Community Service Fund	Title IV Native American Fund	Total Non-Major Governmental Funds
ASSETS					
Cash and Investments	\$ 884,416	\$ 619,667	\$ 25,459	\$ (153)	\$ 1,529,389
Due from Other Governments	-	-	-	153	153
Total Assets	\$ 884,416	\$ 619,667	\$ 25,459	\$ -	\$ 1,529,542
LIABILITIES					
Accrued Liabilities	\$ 76	\$ -	\$ -	\$ -	\$ 76
Total Liabilities	76	-	-	-	76
FUND BALANCES					
Restricted	884,340	619,667	25,459	-	1,529,466
Total Fund Balances	884,340	619,667	25,459	-	1,529,466
Total Liabilities and Fund Balances	\$ 884,416	\$ 619,667	\$ 25,459	\$ -	\$ 1,529,542

**School District of Wisconsin Dells
Wisconsin Dells, Wisconsin**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2021**

	Special Revenue Trust Fund	Capital Improvements Fund	Community Service Fund	Title IV Native American Fund	Total Non-Major Governmental Funds
REVENUES					
Local	\$ 349,595	\$ 6,879	\$ -	\$ -	\$ 356,474
Federal	-	-	-	8,286	8,286
Other	8,962	-	-	-	8,962
Total Revenues	<u>358,557</u>	<u>6,879</u>	<u>-</u>	<u>8,286</u>	<u>373,722</u>
EXPENDITURES					
Instruction:					
Regular Instruction	10,277	-	-	742	11,019
Vocational Instruction	34,155	-	-	-	34,155
Other Instruction	107,518	-	-	-	107,518
Support Services:					
Instructional Staff Services	-	-	-	7,544	7,544
General Administration Services	133	-	-	-	133
Operation and Maintenance of Plant	19,146	-	-	-	19,146
Pupil Transportation	5,017	-	-	-	5,017
Other Support Services	8,481	-	-	-	8,481
Non-program Services	6,500	-	-	-	6,500
Total Expenditures	<u>191,227</u>	<u>-</u>	<u>-</u>	<u>8,286</u>	<u>199,513</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>167,330</u>	<u>6,879</u>	<u>-</u>	<u>-</u>	<u>174,209</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	200,000	-	-	200,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Net Change in Fund Balances	167,330	206,879	-	-	374,209
Fund Balances - Beginning, as Previously Reported	489,776	412,788	25,459	-	928,023
Prior Period Adjustment - Implementation of GASB Statement No. 84	227,234	-	-	-	227,234
Fund Balances - Beginning, as Restated	<u>717,010</u>	<u>412,788</u>	<u>25,459</u>	<u>-</u>	<u>1,155,257</u>
Fund Balances - Ending	<u>\$ 884,340</u>	<u>\$ 619,667</u>	<u>\$ 25,459</u>	<u>\$ -</u>	<u>\$ 1,529,466</u>