STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
Stevens Point, Wisconsin

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2021



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INDEPENDENT AUDITORS' REPORT

School Board
Stevens Point Area Public School District
Stevens Point, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Stevens Point Area Public School District, Stevens Point, Wisconsin (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 District'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 District'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.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 3.E., during 2021, the district adopted new accounting guidance, GASB Statement No. 84, *Fiduciary Activities*. As a result, the District identified activities previously reported as fiduciary activities that no longer meet the definition of a fiduciary activity. In prior years, these amounts were reported in the pupil activity agency fund. 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 on pages 4 through 9 and the budgetary comparison information and the schedules relating to pensions and other postemployment benefits on pages 52 through 58 be presented to supplement the basic financial statements. Such information, although not 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 District's basic financial statements. The combining nonmajor fund financial statements and schedule of charter school authorizer operating costs are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and the schedule of expenditures of state awards, as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements, schedule of charter school authorizer operating costs, the schedule of expenditures of federal awards and the schedule of expenditures of state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements 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 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 have also issued our report dated December 13, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Wausau, Wisconsin
December 13, 2021

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STEVENS POINT AREA PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis
June 30, 2021

As management of the Stevens Point Area Public School District, we offer readers of the District's basic financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2021.

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources as of June 30, 2021 by $73,446,494 (net position).

- As of June 30, 2021, the District's governmental funds reported combined ending fund balances of $58,259,796, a decrease of $12,270,082 in comparison with the prior year. Approximately 42% of this total amount, $24,749,959, is available for spending at the District's discretion (unassigned fund balance).

- The District's total general obligation debt increased $12,475,000 during 2020-2021.

Overview of the Basic Financial Statements

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

District-Wide Financial Statements. The district-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

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

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

Both of the district-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities).The governmental activities of the District include the District's basic services, such as regular and special education and various support services.

The district-wide financial statements can be found on pages 11 - 12 of this report.

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

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

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

The District maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Other Capital Projects Fund. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for all its governmental funds. As part of the required supplementary information, budgetary comparison statements have been provided for the general fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 13 - 17 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for the district-wide statements.

The basic fiduciary fund financial statements can be found on pages 18 - 19 of this report.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the basic financial statements can be found on pages 20 - 50 of this report.

Other Information. Required supplementary information and the combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the basic financial statements. These statements and schedules can be found on pages 52 - 70.

District-Wide Financial Analysis

Net position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $73,446,494 at the close of 2021.

Stevens Point Area Public School District
(in thousands of dollars)

	Governmental Activities	
	2021	2020
Current and Other Assets	$ 89,147	$ 91,354
Capital Assets	111,811	79,908
Total Assets	200,958	171,262
Deferred Outflows of Resources	28,739	20,655
Long-Term Liabilities Outstanding	102,712	89,781
Other Liabilities	12,998	11,121
Total Liabilities	115,710	100,902
Deferred Inflows of Resources	40,541	30,084
Net Position:		
Net Investment in Capital Assets	32,060	30,581
Restricted	29,050	19,994
Unrestricted	12,336	10,356
Total Net Position	$ 73,446	$ 60,931

The largest portion of the District's net position (44%) reflects its investment in capital assets (e.g., land, buildings, and machinery and equipment, etc.); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although, the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position (40%) represents resources that are subject to external restrictions on how they may be used.

Change in Net Position. Governmental activities increased the District's net position by $11,719,728 from current year activities and $795,892 due to a change in accounting principle. A summary of the statement of activities follows:

Stevens Point Area Public School District (In thousands of dollars)		
	Governmental Activities	
	2021	2020
Revenues:		
Program Revenues:		
Charges for Services	$ 2,022	$ 3,157
Operating Grants and Contributions	22,603	18,165
General Revenues:		
Property Taxes	40,508	41,164
Other Taxes	85	62
Grants and Contributions not Restricted to Specific Programs	43,259	40,234
Other	2,147	2,245
Total Revenues	110,624	105,027
Expenses:		
General Instruction	53,913	56,842
Support Services	35,337	36,914
Interest and Fiscal Charges	3,055	2,776
Nonprogram	6,600	5,041
Total Expenses	98,905	101,573
Change in Net Position	11,719	3,454
Cumulative Effect of Change In Accounting Principle	796	-
Net Position - Beginning of Year	60,931	57,477
Net Position - End of Year	$ 73,446	$ 60,931

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of June 30, 2021, the District's governmental funds reported combined ending fund balances of $58,259,796, a decrease of $12,270,082 in comparison with the prior year. Approximately 42% of this amount, $24,749,959 constitutes unassigned fund balance, which is available for spending at the District's discretion. The remainder of fund balance is nonspendable, assigned or restricted to indicate that it is not available for new spending.

The general fund is the main operating fund of the District. At the end of the current year, unassigned fund balance of the general fund was $24,749,959. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 26% of total general fund expenditures.

The fund balance of the District's general fund increased $755,479 during the current year.

General Fund Budgetary Highlights

Generally, the original budget is rarely modified. Changes in budgeted revenues and expenditures can be briefly summarized as follows:

Revenues	$ 1,048,321
Expenditures	(962,689)
Total	$ 85,632

During the year, actual revenues were less than budgeted revenues by $952,378 primarily in other local sources, state sources, and federal sources. Actual expenditures were under budgeted expenditures by $1,935,043 with instruction functions under budget by $842,683 and support service functions under budget by $1,310,028.

Capital Asset and Debt Administration

Capital assets. The District's investment in capital assets for its governmental activities as of June 30, 2021 amounts to $111,810,933 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, and machinery and equipment. The net increase in the District's investment in capital assets for the current year was $31,902,774.

Major capital assets acquired or constructed during the year include:

Building Renovations/Additions - Construction Work in Progress	$ 33,428,154
Building Renovations/Additions - Completed Work	36,319,495
11 Buses	1,460,390
Total	$ 71,208,039

Stevens Point Area Public School District
(net of accumulated depreciation)

	Governmental Activities	
	2021	2020
Land	$ 2,187,617	$ 2,096,177
Construction in Progress	37,235,487	43,987,807
Land Improvements	2,355,313	437,818
Buildings	63,504,555	28,762,101
Machinery and Equipment	6,527,961	4,624,256
Total	$ 111,810,933	$ 79,908,159

Long-Term Debt. At the end of the current fiscal year, the District had total general obligation debt outstanding of $95,165,000.

Stevens Point Area Public School District
General Obligation Debt

	Governmental Activities	
	2021	2020
General Obligation Debt:		
Bonds	$ 93,550,000	$ 80,300,000
Notes	1,615,000	2,390,000
Total General Obligation Debt	$ 95,165,000	$ 82,690,000

The District's total general obligation debt increased by $12,475,000 during the current fiscal year.

State statutes limit the amount of general obligation debt the District may issue to 10% of its total equalized valuation. The current debt limitation for the District is $533,475,396, which is significantly in excess of the District's $95,165,000 in outstanding general obligation debt.

Factors Bearing on the District's Future

The District continues to complete construction and remodeling work in a timely manner addressing deferred maintenance and infrastructure needs per a November 2018 approved referendum of $75.9 million.

The sale of bonds to raise the $75.9 million occurred in two phases, the first of which consisted of the sale of $60 million in bonds in April 2019, and the second of which consisted of selling the remaining $15.9 million in bonds in October 2020.

The District experienced an unexpected drop in September 2020 Third Friday student counts including enrollment, membership, and FTE membership, an effect experienced by many districts throughout the state. Enrollment recovered somewhat on the Third Friday of September 2021, but not to the level of Pre-COVID enrollment. Enrollment continues in slow decline.

The Wisconsin legislature passed a 2021-23 biennial budget that provided no per pupil revenue limit increase. Federal ESSER III funds will be used over this biennial budget period as creatively as possible to offset this loss of needed additional operational funding. The Board continues to levy to the maximum revenue limit allowed.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Director of Business Services, Stevens Point Area Public School District, 1900 Polk Street, Stevens Point, Wisconsin or by calling (715) 345-5432.

BASIC FINANCIAL STATEMENTS

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
ASSETS	
Cash and Investments	$ 56,893,497
Receivables:	
Taxes	9,401,282
Accounts	84,235
Due from Other Governments	4,420,102
Inventories and Prepaid Items	44,368
Net Other Postemployment Benefits Asset	378,702
Net Pension Asset	17,925,032
Capital Assets:	
Nondepreciable	39,423,104
Depreciable, Net	72,387,829
Total Assets	200,958,151
DEFERRED OUTFLOWS OF RESOURCES	
Pension Related Amounts	28,430,241
Other Postemployment Related Amounts	308,222
Total Deferred Outflows of Resources	28,738,463
LIABILITIES	
Accounts Payable	2,284,208
Accrued and Other Current Liabilities	7,905,885
Accrued Interest Payable	414,126
Unearned Revenues	12,595
Deposits Payable	2,338,303
Health and Dental Claims Payable	42,697
Long-Term Obligations:	
Due in One Year	4,443,420
Due in More than One Year	98,268,371
Total Liabilities	115,709,605
DEFERRED INFLOWS OF RESOURCES	
Pension Related Amounts	39,354,763
Other Postemployment Related Amounts	1,185,752
Total Deferred Inflows of Resources	40,540,515
NET POSITION	
Net Investment in Capital Assets	32,060,338
Restricted for:	
Donations	609,658
Food Service	1,815,829
Community Service	321,845
Common School Library Fund	7,298
Debt Service	1,693,399
Net Other Postemployment Benefits Asset	378,702
Net Pension Asset	17,925,032
Long-Term Capital Improvement Plan Projects	5,524,380
Student Activities	773,938
Unrestricted	12,336,075
Total Net Position	$ 73,446,494

See accompanying Notes to Basic Financial Statements.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes In Net Position
Governmental Activities:					
Instruction	$ 53,912,955	$ 1,795,200	$ 16,063,795	$ -	$ (36,053,960)
Support Services	35,336,836	226,496	6,078,868	-	(29,031,472)
Nonprogram	6,599,782	-	460,733	-	(6,139,049)
Interest and Fiscal Charges	3,055,132	-	-	-	(3,055,132)
Total Governmental Activities	$ 98,904,705	$ 2,021,696	$ 22,603,396	$ -	(74,279,613)
GENERAL REVENUES					
Property Taxes					40,507,662
Other Taxes					84,955
State and Federal Aids not Restricted to Specific Functions					43,259,449
Interest and Investment Earnings					153,452
Gain on Disposal of Capital Assets					433,954
Miscellaneous					1,559,869
Total General Revenues					85,999,341
CHANGE IN NET POSITION					11,719,728
Net Position - Beginning of Year, as Orginially Stated					60,930,874
Cumulative Effect of Change in Accounting Principle					795,892
Net Position - Beginning of Year, as Restated					61,726,766
NET POSITION - END OF YEAR					$ 73,446,494

See accompanying Notes to Basic Financial Statements.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2021

	General	Other Capital Projects	Other Governmental Funds	Total
ASSETS				
Cash and Investments	$ 21,361,439	$ 24,539,825	$ 10,992,233	$ 56,893,497
Receivables:				
Taxes	9,401,282	-	-	9,401,282
Accounts	10,444	-	73,791	84,235
Due from Other Governments	4,258,046	-	162,056	4,420,102
Inventories and Prepaid Items	44,368	-	-	44,368
Total Assets	$ 35,075,579	$ 24,539,825	$ 11,228,080	$ 70,843,484
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 49,379	$ 2,234,829	$ -	$ 2,284,208
Accrued and Other Current Liabilities	7,830,980	-	74,905	7,905,885
Unearned Revenues	12,595	-	-	12,595
Deposits Payable	2,338,303	-	-	2,338,303
Health and Dental Claims Payable	42,697	-	-	42,697
Total Liabilities	10,273,954	2,234,829	74,905	12,583,688
FUND BALANCES				
Nonspendable	44,368	-	-	44,368
Restricted	7,298	22,304,996	11,153,175	33,465,469
Unassigned	24,749,959	-	-	24,749,959
Total Fund Balances	24,801,625	22,304,996	11,153,175	58,259,796
Total Liabilities and Fund Balances	$ 35,075,579	$ 24,539,825	$ 11,228,080	$ 70,843,484

See accompanying Notes to Basic Financial Statements.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
RECONCILIATION TO THE STATEMENT OF NET POSITION – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

Total Fund Balances as Shown on Previous Page	$ 58,259,796
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 funds.	111,810,933
Long-term assets are not available; therefore, are not reported in the funds	
Net Other Postemployment Benefits Asset	378,702
Net Pension Asset	17,925,032
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.	
Deferred Outflows Related to Pensions	28,430,241
Deferred Inflows Related to Pensions	(39,354,763)
Deferred Outflows Related to Other Postemployment Benefits	308,222
Deferred Inflows Related to Other Postemployment Benefits	(1,185,752)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds and Notes Payable	(95,165,000)
Capital Leases Payable	(2,284,618)
Premium on Debt	(5,159,103)
Compensated Absences	(103,070)
Accrued Interest on Long-Term Obligations	(414,126)
Net Position of Governmental Activities as Reported on the Statement of Net Position (see Page 11)	$ 73,446,494

See accompanying Notes to Basic Financial Statements.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	General	Other Capital Projects	Other Governmental Funds	Total
REVENUES				
Property Taxes	$ 33,678,165	$ -	$ 6,829,497	$ 40,507,662
Other Local Sources	658,700	139,734	1,666,673	2,465,107
Interdistrict Sources	1,367,022	-	-	1,367,022
Intermediate Sources	7,665	-	-	7,665
State Sources	54,001,968	-	71,258	54,073,226
Federal Sources	7,050,376	-	3,159,700	10,210,076
Other Sources	454,673	1,105,048	-	1,559,721
Total Revenues	97,218,569	1,244,782	11,727,128	110,190,479
EXPENDITURES				
Instruction:				
Regular Instruction	36,442,796	-	1,053,107	37,495,903
Vocational Instruction	2,250,503	-	-	2,250,503
Special Education Instruction	13,021,359	-	-	13,021,359
Other Instruction	3,061,849	-	286,212	3,348,061
Total Instruction	54,776,507	-	1,339,319	56,115,826
Support Services:				
Pupil Services	4,095,220	-	6,530	4,101,750
Instructional Staff Services	3,690,397	-	6,618	3,697,015
General Administration Services	3,300,019	-	49,965	3,349,984
School Administration Services	4,521,143	-	-	4,521,143
Business Services	626,864	-	-	626,864
Operations and Maintenance of Plant	8,629,568	33,738,809	193,837	42,562,214
Pupil Transportation Services	4,707,237	-	3,271	4,710,508
Food Services	-	-	3,273,387	3,273,387
Central Services	177,919	-	-	177,919
Insurance	894,552	-	-	894,552
Other Support Services	2,887,318	-	74,176	2,961,494
Total Support Services	33,530,237	33,738,809	3,607,784	70,876,830
Debt Service:				
Principal	946,923	-	3,425,000	4,371,923
Interest and Fiscal Charges	62,565	-	3,475,899	3,538,464
Total Debt Service	1,009,488	-	6,900,899	7,910,387

See accompanying Notes to Basic Financial Statements.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2021

	General	Other Capital Projects	Other Governmental Funds	Total
EXPENDITURES (CONTINUED)				
Nonprogram:				
General Tuition Payments	$ 4,595,987	$ -	$ -	$ 4,595,987
Special Education Tuition Payments	400,617	-	-	400,617
Adjustments and Refunds	5,278	-	-	5,278
Voucher Payments	1,588,180	-	-	1,588,180
Post-Secondary Scholarship Expenditures	-	-	1,220	1,220
Revenue Transits to Others	8,500	-	-	8,500
Total Nonprogram	6,598,562	-	1,220	6,599,782
Total Expenditures	95,914,794	33,738,809	11,849,222	141,502,825
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,303,775	(32,494,027)	(122,094)	(31,312,346)
OTHER FINANCING SOURCES (USES)				
Long-Term Debt Issued	-	15,900,000	-	15,900,000
Capital Lease Issued	1,030,390	-	-	1,030,390
Premium on Debt Issued	-	-	882,028	882,028
Proceeds from Sale of Capital Assets	433,954	-	-	433,954
Transfers In	-	-	2,012,640	2,012,640
Transfers Out	(2,012,640)	-	-	(2,012,640)
Total Other Financing Sources (Uses)	(548,296)	15,900,000	2,894,668	18,246,372
NET CHANGE IN FUND BALANCES	755,479	(16,594,027)	2,772,574	(13,065,974)
Fund Balances - Beginning of Year, as Originally Stated	24,046,146	38,899,023	7,584,709	70,529,878
Cumulative Effect of Change in Accounting Principle	-	-	795,892	795,892
Fund Balances - Beginning of Year, as Restated	24,046,146	38,899,023	8,380,601	71,325,770
FUND BALANCES - END OF YEAR	$ 24,801,625	$ 22,304,996	$ 11,153,175	$ 58,259,796

See accompanying Notes to Basic Financial Statements.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
RECONCILIATION TO THE STATEMENT OF ACTIVITIES – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

Net Change in Fund Balances as Shown on Previous Page	$ (13,065,974)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Assets Reported as Capital Outlay Reported in Governmental Fund Statements	35,215,740
Depreciation Expense Reported in the Statement of Activities	(3,312,966)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	
Long-Term Debt Issued	(15,900,000)
Capital Leases Issued	(1,030,390)
Premium on Debt Issued	(882,028)
Principal Repaid	3,425,000
Capital Leases Paid	946,923
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:	
Accrued Interest on Long-Term Debt	(31,147)
Amortization of Premiums, Discounts and Loss on Advance Refunding	514,479
Compensated Absences	(5,164)
Net Pension Liability (Asset)	8,353,199
Deferred Outflows of Resources Related to Pensions	7,911,122
Deferred Inflows of Resources Related to Pensions	(10,581,890)
Net Other Postemployment Benefits Liability (Asset)	(135,305)
Deferred Outflows of Resources Related to Other Postemployment Benefits	172,911
Deferred Inflows of Resources Related to Other Postemployment Benefits	125,218
Change in Net Position of Governmental Activities as Reported In the Statement of Activities (see Page 12)	$ 11,719,728

See accompanying Notes to Basic Financial Statements.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
STATEMENT OF NET POSITION – FIDUCIARY FUND
JUNE 30, 2021

	Employee Benefit Trust
ASSETS	
Cash and Investments	$ 975,755
NET POSITION	
Restricted for Postemployment Benefits	$ 975,755

See accompanying Notes to Basic Financial Statements.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
STATEMENT OF CHANGES IN NET POSITION – FIDUCIARY FUND
YEAR ENDED JUNE 30, 2021

	Employee Benefit Trust
ADDITIONS	
Investment Earnings	$ 124,913
DEDUCTIONS	
Trust Fund Disbursements	244,167
CHANGE IN NET POSITION	(119,254)
Net Position - Beginning of Year	1,095,009
NET POSITION - END OF YEAR	$ 975,755

See accompanying Notes to Basic Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Stevens Point Area Public School District, Stevens Point, Wisconsin (the District), have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) 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:

A. Reporting Entity

The District is organized as a unified school district. The District, governed by an elected nine-member board, operates grades 4K through 12 and is comprised of all or parts of eighteen taxing districts. In accordance with U.S. GAAP, the basic financial statements are required to include the District and any separate component units that have a significant operational or financial relationship with the District. The District has not identified any component units that are required to be included in the basic financial statements.

B. District-Wide and Fund Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are primarily supported by taxes and intergovernmental revenues.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the district-wide financial statements. Governmental funds include general, special revenue, debt service and capital projects funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

General Fund – This is the District's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Other Capital Projects Fund – This fund accounts for the acquisition or construction of major capital facilities.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. District-Wide and Fund Financial Statements (Continued)

Additionally, the District reports the following fund type:

- The employee benefit trust fund is used to account for resources legally held in trust for other postemployment benefits.

C. Measurement Focus and Basis of Accounting

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

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

Property taxes are recognized as revenue in the fiscal year for which taxes have been levied. Tuition, grants, fees, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when the cash is received by the District.

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

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance

1. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

2. Property Taxes

The aggregate District tax levy is apportioned and certified in November of the current fiscal year for collection to comprising municipalities based on the immediate past October 1 full or "equalized" taxable property values. As permitted by a collecting municipality's ordinance, taxes must be paid in full or in two or more installments with the first installment payable the subsequent January 31 and a final payment no later than the following July 31. On or before January 15, and by the 20th 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.

Property taxes are recognized as revenue in the fiscal year levied as they are considered due as of January 1, the date from which interest and penalties accrue for nonpayment of a scheduled installment, and full receipt of the entire levy is assured within 60 days of fiscal year-end, meeting the availability criteria necessary for property tax revenue recognition by accounting principles generally accepted in the United States of America.

3. Accounts Receivable

Accounts receivable are recorded at 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 the amount of such allowance would not be material to the basic financial statements.

4. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements.

5. Inventories

Inventories are recorded at cost, which approximates market, using the first-in, and first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

Inventories of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

6. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are recorded as expenditures in the periods benefited.

Prepaid items of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

7. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the district-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of $5,000 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

Assets	Governmental Activities
Land Improvements	20 to 25 Years
Buildings and Improvements	40 Years
Machinery and Equipment	5 to 15 Years

8. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation benefits in accordance with employee handbook policies and/or bargaining unit agreements. All vacation balances are accrued when incurred in the district-wide financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

9. Deferred Outflows/Inflows of Resources

Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

10. Long-Term Obligations

In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

11. 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

12. Other Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's Other Postemployment Benefit Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

13. Fund Equity

Governmental Fund Financial Statements

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable Fund Balance**. Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.

- **Restricted Fund Balance**. Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.

- **Committed Fund Balance**. Amounts that are constrained for specific purposes by action of the School Board. These constraints can only be removed or changed by the School Board using the same action that was used to create them.

- **Assigned Fund Balance**. Amounts that are constrained for specific purposes by action of District management. The School Board has authorized the Director of Business Services to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.

- **Unassigned Fund Balance**. Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

13. Fund Equity (Continued)

Governmental Fund Financial Statements (Continued)

The District has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

District-Wide Fund Statements

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

- **Net Investment in Capital Assets**. Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.

- **Restricted Net Position**. Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

- **Unrestricted Net Position**. Net position that is neither classified as restricted nor as net investment in capital assets.

E. Use of Estimates

The preparation of 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 could differ from those estimates.

NOTE 2 DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

The debt service funds account for their transactions through separate and distinct bank and investment accounts as required by State Statutes. In addition, the employee benefit trust fund and long-term capital improvement fund use separate and distinct accounts. All other funds share in common bank and investment accounts.

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

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 government investment pool. Investments in the private-purpose and employee benefit trust fund may be invested in other types of investments as authorized user Wisconsin Statute 881.01, "Uniform Prudent Investor Act".

The carrying amount of the District's cash and investments totaled $57,869,252 on June 30, 2021 as summarized below:

Petty Cash	$ 2,150
Deposits with Financial Institutions	2,939,634
Investments:	
Wisconsin Investment Series Cooperative	54,030,531
Money Market Mutual Funds	17,751
Fixed Income Mutual Funds	559,969
Equity Mutual Funds	319,217
Total	$ 57,869,252

Government-Wide Statement of Net Position:	
Cash and Investments	$ 56,893,497
Fiduciary Fund Statement of Net Position:	
Employee Benefit Trust	975,755
Total	$ 57,869,252

Fair Value Measurements

The District uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures.

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

The District follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. In accordance with this standard, the District has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities.

Level 2 – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions.

The District has the following fair value measurements as of June 30, 2021:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments:			
Money Market Mutual Funds	$ 17,751	$ -	$ -
Fixed Income Mutual Funds	559,969	-	-
Equity Mutual Funds	319,217	-	-
Total	$ 896,937	$ -	$ -

Deposits and investments of the District are subject to various risks. Presented below is a discussion of the District's deposits and investments and the related risks.

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will 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 credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin Statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The District does not have an additional custodial credit policy.

Deposits with financial institutions within the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of $250,000 for the combined amount of all time and savings deposits and $250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the state of Wisconsin are insured by the FDIC in the amount of $250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of $250,000 per credit union member. Also, the state of Wisconsin has a State Guarantee Fund which provides a maximum of $400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of June 30, 2021, $1,354,738 of the District's deposits with financial institutions were in excess of federal and state depository insurance limits. $1,354,738 was collateralized by bonds held by the pledging institution but not in the institution's name.

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. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin Statutes limit investment in securities to the top two ratings assigned by nationally recognized statistical rating organizations. Presented below is the actual rating as of the year-end for each investment type.

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Credit Risk (Continued)

Investment Type	Amount	AAA	AA	A	BB	Not Rated
Fixed Income Mutual Funds	$ 559,969	$ 133,248	$ 133,370	$ 185,707	$ 107,644	$ -
Wisconsin Investment Series Cooperative:						
Investment Series	53,957,159	-	-	-	-	53,957,159
Cash Management Series	73,372	-	-	-	-	73,372
Total	$ 54,590,500	$ 133,248	$ 133,370	$ 185,707	$ 107,644	$ 54,030,531

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer. There were no investments in any one issuer (other than U.S. treasury securities, mutual funds, and external investment pools) that represent 5% or more of total District investments.

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 the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

		Remaining Maturity (in Months)			
Investment Type	Amount	12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Fixed Income Mutual Funds	$ 559,969	$ -	$ -	$ 302,361	$ 257,608
Wisconsin Investment Series Cooperative:					
Investment Series	53,957,159	53,957,159	-	-	-
Cash Management Series	73,372	73,372	-	-	-
Total	$ 54,590,500	$ 54,030,531	$ -	$ 302,361	$ 257,608

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Investment in Wisconsin Investment Series Cooperation

The District has investments in the Wisconsin Investment Series Cooperative (WISC) of $56,030,104 at year-end consisting of $53,957,159 invested in the Investment Series, $73,372 invested in the Cash Management Series and $1,999,573 invested in certificates of deposit. The Cash Management Series has no minimum investment period, allows check writing privileges, and the average dollar weighted maturity is ninety (90) days or less. The Investment Series requires a 14-day minimum investment period and one business day withdrawal notice, and the average dollar weighted maturity is one hundred twenty (120) days or less.

WISC is organized by and operated exclusively for Wisconsin public schools, technical colleges, and municipal entities. WISC is not registered with the Securities and Exchange Commission, but operates under Wisconsin International Cooperate Statute, Wisconsin Statute, Section 66.031. WISC is governed by the Wisconsin Investment Series Cooperative Commission in accordance with the terms of the Intergovernmental Cooperation Agreement. WISC invests District funds in accordance with Wisconsin law. WISC investments are valued at amortized cost, which approximates market value.

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Nondepreciable:				
Land	$ 2,096,177	$ 91,440	$ -	$ 2,187,617
Construction in Progress	43,987,807	33,428,154	40,180,474	37,235,487
Total Capital Assets, Nondepreciable	46,083,984	33,519,594	40,180,474	39,423,104
Capital Assets, Depreciable:				
Land Improvements	3,525,745	2,021,502	-	5,547,247
Buildings	69,972,021	36,319,495	-	106,291,516
Machinery and Equipment	25,427,802	3,535,623	1,448,179	27,515,246
Subtotal	98,925,568	41,876,620	1,448,179	139,354,009
Less Accumulated Depreciation for:				
Land Improvements	3,087,927	104,007	-	3,191,934
Buildings and Improvements	41,209,920	1,577,041	-	42,786,961
Machinery and Equipment	20,803,546	1,631,918	1,448,179	20,987,285
Subtotal	65,101,393	3,312,966	1,448,179	66,966,180
Total Capital Assets, Depreciable, Net	33,824,175	38,563,654	-	72,387,829
Governmental Activities Capital Assets, Net	$ 79,908,159	$ 72,083,248	$ 40,180,474	111,810,933
Less: Capital Related Debt (Net of Unspent Bond Proceeds)				72,368,180
Less: Capital Related Debt Premium				5,147,586
Less: Capital Related Accounts Payable				2,234,829
Net Investment in Capital Assets				$ 32,060,338

Depreciation expense was charged to functions of the District as follows:

Governmental Activities:	
Instruction	$ 1,650,946
Support Services	1,662,020
Total Depreciation Expense - Governmental Activities	$ 3,312,966

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Transfers

Interfund transfers for the year ended June 30, 2021 were as follows:

Fund	Transfer In	Transfer Out
General	$ -	$ 2,012,640
Long-Term Capital Improvement	2,012,640	-
Total	$ 2,012,640	$ 2,012,640

Interfund transfers were made for the following purposes:

To Fund Long-Term Capital Improvement Plan Projects	$ 2,012,640

D. Long-Term Obligations

The following is a summary of changes in long-term obligations of the District for the year ended June 30, 2021:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Debt:					
Bonds	$ 80,300,000	$ 15,900,000	$ 2,650,000	$ 93,550,000	$ 2,955,000
Notes	2,390,000	-	775,000	1,615,000	800,000
Total General Obligation Debt	82,690,000	15,900,000	3,425,000	95,165,000	3,755,000
Debt Premium	4,791,554	882,028	514,479	5,159,103	-
Capital Leases	2,201,151	1,030,390	946,923	2,284,618	688,420
Compensated Absences	97,906	5,164	-	103,070	-
Governmental Activities Long-Term Obligations	$ 89,780,611	$ 17,817,582	$ 4,886,402	$ 102,711,791	$ 4,443,420

Total interest paid during the year on long-term debt totaled $3,353,933.

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 6/30/21
General Obligation Notes	1/7/14	4/1/23	2.30 - 3.00%	$ 5,275,000	$ 1,615,000
General Obligation Bonds	12/29/17	4/1/37	2.00 - 5.00%	25,600,000	23,900,000
General Obligation Bonds	4/1/19	4/1/39	3.125% - 5.00%	60,000,000	53,750,000
General Obligation Bonds	10/13/20	4/1/40	2.00% - 4.00%	15,900,000	15,900,000
Total Outstanding General Obligation Debt					$ 95,165,000

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

General Obligation Debt (Continued)

Annual principal and interest maturities of the outstanding general obligation debt of $95,165,000 on June 30, 2021 are detailed below:

	Governmental Activities		
Year Ended June 30,	Principal	Interest	Total
2022	$ 3,755,000	$ 3,359,031	$ 7,114,031
2023	3,630,000	3,200,981	6,830,981
2024	3,715,000	3,054,256	6,769,256
2025	3,880,000	2,898,206	6,778,206
2026	4,050,000	2,734,906	6,784,906
2027-2031	23,145,000	10,825,781	33,970,781
2032-2036	27,675,000	6,289,819	33,964,819
2037-2040	25,315,000	1,764,675	27,079,675
Total	$ 95,165,000	$ 34,127,655	$ 129,292,655

For governmental activities, the other long-term liabilities are generally funded by the General Fund.

Legal Margin for New Debt

The District's legal margin for creation of additional general obligation debt on June 30, 2021 was $438,310,396 as follows:

Equalized Valuation of the District	$ 5,334,753,964
Statutory Limitation Percentage	(x) 10%
General Obligation Debt Limitation, Per Section 67.03 of the Wisconsin Statutes	533,475,396
Total Outstanding General Obligation Debt Applicable to Debt Limitation	95,165,000
Legal Margin for New Debt	$ 438,310,396

Capital Leases

The District is obligated under various leases accounted for as capital leases that were used to finance the acquisition of capital assets. The cost of the capital assets under the capital leases is $6,646,190 and the related accumulated depreciation is $3,707,636 as of June 30, 2021.

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

Capital Leases (Continued)

The following is a schedule of the minimum lease payments under the lease agreements and the present values of the minimum lease payments at June 30, 2021:

Year Ending June 30,	Governmental Activities
2022	$ 746,773
2023	727,216
2024	438,329
2025	324,889
2026	180,777
Subtotal	2,417,984
Less: Amount Representing Interest	133,366
Present Value of Future Minimum Lease Payments	$ 2,284,618

E. 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, 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 https://etf.wi.gov/publications/cafr.htm.

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.

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 December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

Plan Description (Continued)

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.

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%

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

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, 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 ending June 30, 2021, the WRS recognized $3,317,436 in contributions from the District.

Contribution rates for the reporting period 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 Assets, Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the District reported an asset of $17,925,032 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension liability used to calculate the net pension 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 asset was based on 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 0.28711571%, which was a decrease of 0.00973535% from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the District recognized pension expense (revenue) of ($2,008,090).

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

Pension Assets, Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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	$ 25,943,023	$ 5,588,080
Net Differences Between Projected And Actual Earnings on Pension Plan Investments	-	33,652,786
Changes in Assumptions	406,574	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	254	113,897
Employer Contributions Subsequent to the Measurement Date	2,080,390	-
Total	$ 28,430,241	$ 39,354,763

The $2,080,390 reported as deferred outflows related to pension resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended June 30,	Expense
2022	$ (3,365,372)
2023	(929,710)
2024	(6,120,253)
2025	(2,589,577)
Total	$ (13,004,912)

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

Actuarial Assumptions

The total pension liability in the December 31, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2019
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 for December 31, 2020, is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

Actuarial Assumptions (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:

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Core Fund Asset Class:			
Global Equities	51.0%	7.2%	4.7%
Fixed Income	25.0	3.2%	0.8%
Inflation Sensitive Assets	16.0	2.0%	-0.4%
Real Estate	8.0	5.6%	3.1%
Private Equity/Debt	11.0	10.2%	7.6%
Multi-Asset	4.0	5.8%	3.3%
Cash	-15.0	0.9%	N/A
Total Core Fund	100.0%	6.6%	4.1%
Variable Fund Asset Class:			
U.S. Equities	70.0%	6.6%	4.1%
International Equities	30.0	7.4%	4.9%
Total Variable Fund	100.0%	7.1%	4.6%

New England Pension Consultants Long-Term US CPI (Inflation) Forecast: 2.40%

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

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

Actuarial Assumptions (Continued)

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 members 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.

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 7.0%, 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 one-percentage-point lower (6.0%) or one-percentage-point higher (8.0%) than the current rate:

	One Percent Decrease to Discount Rate (6.0%)	Current Discount Rate (7.0%)	One Percent Increase to Discount Rate (8.0%)
District's Proportionate Share of the Net Pension Liability (Asset)	$ 17,062,146	$ (17,925,032)	$ (43,622,853)

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-and-statements.

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

Payable to the Pension Plan

At June 30, 2021, the District reported a payable of $945,419 for the outstanding amount of contributions to the pension plan for the year ended June 30, 2021.

F. Other Postemployment Benefits

Plan Description

The Plan is a single-employer defined benefit postemployment health plan that covers retired employees of the District. Eligible retired employees have access to group medical coverage through the District's group plan. District paid medical benefits are paid for as indicated below. The plan is closed and eligible retirees receive grandfathered benefits that are no longer offered by the District. Separate financial statements are not issued by the plan.

Benefits Provided

Eligible retirees received grandfathered benefits that are no longer offered by the District. These benefits include medical/dental contributions subsidized by the District. Benefit amount and duration differ based on classification.

Employees Covered by Benefit Terms

As of the June 30, 2020 actuarial valuation, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	27
Active Employees	-
Total	27

Contributions

Certain retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of insurance premiums based on the employee group and their retirement date. District paid medical and dental benefits are paid until the retiree or surviving spouse becomes eligible for Medicare.

Investments

Rate of Return. For the year ended June 30, 2021, the annual money-weighted rate of return, net of investment expense, was 12.06%.

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

Concentrations

The investment policy of the Plan contains no limitations on the amount that can be invested in any one issuer. There were no investments in any one issuer (other than U.S. treasury securities, mutual funds, and external investment pools) that represent 5% or more of total Plan investments.

Net OPEB Liability (Asset)

Total OPEB Liability - Ending (a)	$ 597,053
Plan Fiduciary Net Position - Ending (b)	975,755
District's Net OPEB Liability (Asset) - Ending (a) - (b)	$ (378,702)
Plan Fiduciary Net Position as a Percentage of of the Total OPEB Liability	163.43%

The District's net OPEB liability (asset) was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021.

Actuarial Assumptions – The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	2%
Salary Increases:	0.1% to 5.6% per year depending on years of service plus 3% inflation
Investment Rate of Return:	2.25%
Healthcare Cost Trend Rates:	Medical: 6.50% decreasing by 0.10% per year down to 5.0%, and level thereafter
Dental Cost Trend Rates:	Level at 5.0%

Medical trend rate assumptions changed from the prior valuation by starting at 6.5% compared to starting at actual for first year and then increasing to 7% followed by decreases to 6.5% to an ultimate rate of 5.0%.

Mortality rates are based on Wisconsin 2018 Mortality table adjusted for future mortality improvements using the MP-2018 fully generated improvement scale (multiplied by 60%). The previous valuation used the Wisconsin 2012 Mortality Table adjusted for future mortality improvements using the MP-2015 fully generated improvement scale (multiplied by 50%).

The actuarial assumptions used in the June 30, 2020 valuation were based on an experience study conducted in 2018 using Wisconsin Retirement System (WRS) experience from 2015-2017. The previous valuation used WRS experience from 2012-2014.

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

Net OPEB Liability (Asset) (Continued)

The long-term expected rate of return on OPEB plan investments was valued at 2.25% for both the current and prior years. Since the Plan's assets are held primarily as cash, cash-equivalents, and fixed income, the long-term expected rate of return was based on the 20-year tax-exempt AA Municipal bond rate as of the week of the measurement date and was used for all years of benefit payments.

Discount Rate – The discount rate used to measure the total OPEB liability was 2.25% for both the current and prior years. The projection of cash flows used to determine the discount rate assumed that 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 total OPEB liability.

Changes in the Net OPEB Liability (Asset)

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Balance at June 30, 2020	$ 581,002	$ 1,095,009	$ (514,007)
Changes for the Year:			
Service Cost	30,570	-	30,570
Interest	10,670	-	10,670
Differences Between Expected and Actual	53,932	-	53,932
Changes of Assumptions	165,046	-	165,046
Net Investment Income	-	124,913	(124,913)
Benefit Payments	(244,167)	(244,167)	-
Net Changes	16,051	(119,254)	135,305
Balance at June 30, 2021	$ 597,053	$ 975,755	$ (378,702)

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

Changes in the Net OPEB Liability (Asset) (Continued)

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate – The following presents the net OPEB liability (asset) of the District, as well as what the District's net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (1.25%) or one-percentage-point higher (3.25%) than the current rate:

	One Percent Decrease to Discount Rate (1.25%)	Current Discount Rate (2.25%)	One Percent Increase to Discount Rate (3.25%)
Net OPEB Liability (Asset)	$ (354,431)	$ (378,702)	$ (402,595)

Changes in the Net OPEB Liability (Asset)

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rates – The following presents the net OPEB liability (asset) of the District, as well as what the District's net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are one-percentage-point lower (5.5% decreasing to 4.0%) or one-percentage-point higher (7.5% decreasing to 6.0%) than the current healthcare cost trend rates:

	One Percent Decrease (5.5% Decreasing to 4.0%)	Healthcare Cost Trend Rates (6.5% Decreasing to 5.0%)	One Percent Increase (7.5% Decreasing to 6.0%)
Net OPEB Liability (Asset)	$ (427,020)	$ (378,702)	$ (322,786)

OPEB Plan Fiduciary Net Position – Information about the OPEB plan's fiduciary net position is presented in the Employee Benefit Trust Fund in these financial statements.

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

OPEB Expense (Revenue) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the District recognized OPEB expense (revenue) of $(162,824). 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 Experience	$ 48,539	$ 1,092,698
Changes in Assumptions	259,683	-
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	93,054
Total	$ 308,222	$ 1,185,752

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in other postemployment benefits expense as follows:

Year Ended June 30,	Expense
2022	$ (182,172)
2023	(138,538)
2024	(138,057)
2025	(131,666)
2026	(111,060)
Thereafter	(176,037)
Total	$ (877,530)

Payable to the OPEB Plan

At June 30, 2021, the District reported no outstanding amount of contribution to the Plan required for the year ended June 30, 2021.

G. Fund Equity

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At June 30, 2021, nonspendable fund balance was as follows:

	General
Nonspendable:	
Inventories and Prepaid Items	$ 44,368

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Fund Equity (Continued)

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At June 30, 2021, restricted fund balance was as follows:

General Fund:	
Restricted for:	
Common School Library Fund	$ 7,298
Special Revenue Funds:	
Restricted for:	
Donations	609,658
Student Activities	773,938
Food Service	1,815,829
Community Service	321,845
Total Special Revenue Funds Restricted Fund Balance	3,521,270
Debt Service Funds:	
Restricted for:	
Debt Service	2,107,525
Capital Projects Funds:	
Restricted for:	
Long-Term Capital Improvement	5,524,380
Capital Projects	22,304,996
Total Capital Projects Funds Restricted Fund Balance	27,829,376
Total Restricted Fund Balance	$ 33,465,469

Minimum General Fund Balance Policy

The District has also adopted a minimum fund balance policy of 20% of subsequent year budgeted expenditures for the General Fund (both Fund 10 General Fund and Fund 27 Special Education Fund). The minimum fund balance is maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

Budgeted 2022 General Fund Expenditures	$ 110,863,710
Minimum Fund Balance %	20%
Minimum Fund Balance Amount	$ 22,172,742

The District's unassigned General Fund balance of $24,749,959 is above the minimum fund balance amount. The entire unassigned general fund balance is expected to be utilized for cash flow needs.

NOTE 3 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The District completes an annual review of its insurance coverage to ensure adequate coverage. A description of the District's risk management programs is presented below:

Property and Liability Insurance

The District purchases commercial insurance policies for various property and other liability risks. Payments of premiums for these policies are also recorded as expenditures in the General Fund. Settled claims have not exceeded commercial coverage in any of the past three years and there have been no significant reductions in insurance coverage from coverage in the prior year.

Self-Funded Insurance Program

On July 1, 2014, the District established a self-funded dental benefit plan for its employees. The Plan Administrator, Delta Dental, is 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 ended 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 has no stop-loss coverage for dental care coverage of the plan.

At June 30, 2021, the District has reported a liability of $42,697 which represents reported and unreported claims which were incurred on or before June 30, 2021, but were not paid by the District as of that date. The amounts not reported to the District were determined by the Plan administrator. Changes in the claims liability for the years ended June 30, 2020 and June 30, 2021 are as follows:

Year	Liability July 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability June 30
2020	$ 51,338	$ 700,912	$ 709,743	$ 42,507
2021	42,507	715,695	715,505	42,697

The District has not received an actuarial certification attesting to the adequacy of the reserves, rates, and the overall financial soundness of the plan.

NOTE 3 OTHER INFORMATION (CONTINUED)

A. Risk Management (Continued)

Other

The Coronavirus Disease 2019 (COVID-19) has affected global markets, supply chains, employees of organizations, and local communities. Specific to the District, COVID-19 may impact parts of its 2022 operations and financial results. Management believes the District is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as of December 13, 2021.

B. Contingencies

The District participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Accordingly, the District's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

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

C. Limitation on School District Revenues

Wisconsin Statutes limit the amount of revenues a school district may derive from general school aids and property taxes unless a higher amount is approved by a referendum.

This limitation does not apply to revenue needed for payment of any general obligation debt service (including refinanced debt) authorized by either of the following:

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

D. Commitments

The District has active construction projects as of June 30, 2021. Work that has been completed but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures. Estimated future costs to complete the construction projects is approximately $15,620,000.

NOTE 3 OTHER INFORMATION (CONTINUED)

E. Cumulative Effect of Change in Accounting Principle

During fiscal year ended June 30, 2021, the District adopted GASB Statement No. 84, *Fiduciary Activities*, which established criteria for identifying fiduciary activities and address financial reporting for these activities. The cumulative effect of this change was to increase the July 1, 2020 net position of the governmental activities and donations special revenue fund by $795,892. Pupil Activity agency funds of $795,892 are now reported in the donations special revenue fund as of July 1, 2020.

REQUIRED SUPPLEMENTARY INFORMATION

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2021

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Property Taxes	$ 33,678,165	$ 33,678,165	$ 33,678,165	$ -
Other Local Sources	1,362,544	1,362,844	658,700	(704,144)
Interdistrict Sources	1,291,875	1,291,875	1,367,022	75,147
Intermediate Sources	6,718	6,718	7,665	947
State Sources	49,673,321	49,679,648	49,525,589	(154,059)
Federal Sources	2,693,589	3,735,283	3,495,092	(240,191)
Other Sources	380,000	380,000	449,922	69,922
Total Revenues	89,086,212	90,134,533	89,182,155	(952,378)
EXPENDITURES				
Instruction:				
Regular Instruction	36,696,724	36,917,591	36,442,796	474,795
Vocational Instruction	2,269,670	2,265,805	2,250,503	15,302
Other Instruction	3,367,085	3,414,435	3,061,849	352,586
Total Instruction	42,333,479	42,597,831	41,755,148	842,683
Support Services:				
Pupil Services	1,939,453	1,942,319	2,077,624	(135,305)
Instructional Staff Services	2,988,915	3,680,100	3,201,141	478,959
General Administration Services	2,749,226	2,769,163	3,300,019	(530,856)
School Administration Services	4,713,907	4,719,366	4,521,143	198,223
Business Services	670,884	636,805	626,864	9,941
Operations and Maintenance of Plant	9,434,635	9,300,957	8,583,614	717,343
Pupil Transportation Services	4,797,481	4,777,028	4,311,292	465,736
Central Services	275,991	204,685	176,491	28,194
Insurance	816,951	816,951	894,552	(77,601)
Other Support Services	3,052,816	3,042,712	2,887,318	155,394
Total Support Services	31,440,259	31,890,086	30,580,058	1,310,028
Debt Service:				
Principal	946,923	946,923	946,923	-
Interest and Fiscal Charges	62,565	62,565	62,565	-
Total Debt Service	1,009,488	1,009,488	1,009,488	-

See accompanying Notes to Required Supplementary Information.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND – BUDGETARY BASIS (CONTINUED)
YEAR ENDED JUNE 30, 2021

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
EXPENDITURES (CONTINUED)				
Nonprogram:				
General Tuition Payments	$ 4,125,614	$ 4,374,124	$ 4,595,987	$ (221,863)
Adjustments and Refunds	5,000	5,000	5,278	(278)
Voucher Payments	1,592,653	1,592,653	1,588,180	4,473
Revenue Transits to Others	8,500	8,500	8,500	-
Total Nonprogram	5,731,767	5,980,277	6,197,945	(217,668)
Total Expenditures	80,514,993	81,477,682	79,542,639	1,935,043
EXCESS OF REVENUES OVER EXPENDITURES	8,571,219	8,656,851	9,639,516	982,665
OTHER FINANCING SOURCES (USES)				
Capital Lease Issued	1,030,790	1,030,790	1,030,390	(400)
Proceeds from Sale of Capital Assets	430,000	430,000	433,954	3,954
Transfers In	-	-	143,159	143,159
Transfers Out	(11,122,387)	(11,122,387)	(10,491,540)	630,847
Total Other Financing Sources (Uses)	(9,661,597)	(9,661,597)	(8,884,037)	777,560
NET CHANGE IN FUND BALANCE	(1,090,378)	(1,004,746)	755,479	1,760,225
Fund Balance - Beginning of Year	24,046,146	24,046,146	24,046,146	-
FUND BALANCE - END OF YEAR	$ 22,955,768	$ 23,041,400	$ 24,801,625	$ 1,760,225

See accompanying Notes to Required Supplementary Information.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – SPECIAL EDUCATION SPECIAL REVENUE FUND – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2021

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
State Sources	$ 4,205,430	$ 4,205,430	$ 4,476,379	$ 270,949
Federal Sources	2,211,314	3,926,028	3,555,284	(370,744)
Other Sources	-	-	4,751	4,751
Total Revenues	6,416,744	8,131,458	8,036,414	(95,044)
EXPENDITURES				
Instruction:				
Special Education Instruction	13,556,819	15,160,815	13,021,359	2,139,456
Other Instruction	6,076	6,076	-	6,076
Total Instruction	13,562,895	15,166,891	13,021,359	2,145,532
Support Services:				
Pupil Services	2,012,525	2,046,197	2,017,596	28,601
Instructional Staff Services	749,811	616,112	489,256	126,856
Operations and Maintenance of Plant	15,000	15,000	45,954	(30,954)
Pupil Transportation Services	532,245	532,094	395,945	136,149
Central Services	30,920	30,920	1,428	29,492
Total Support Services	3,340,501	3,240,323	2,950,179	290,144
Nonprogram:				
Special Education Tuition Payments	635,735	703,345	400,617	302,728
Total Expenditures	17,539,131	19,110,559	16,372,155	2,738,404
EXCESS OF REVENUES UNDER EXPENDITURES	(11,122,387)	(10,979,101)	(8,335,741)	2,643,360
OTHER FINANCING SOURCES				
Transfers In	11,122,387	11,122,387	8,478,900	(2,643,487)
Transfers Out	-	(143,286)	(143,159)	127
Total Other Financing Sources	11,122,387	10,979,101	8,335,741	(2,643,360)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END of YEAR	$ -	$ -	$ -	$ -

See accompanying Notes to Required Supplementary Information.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
LAST 10 MEASUREMENT PERIODS *

	2021	2020	2019	2018	2017
Total OPEB Liability:					
Service Cost	$ 30,570	$ 25,138	$ -	$ -	$ -
Interest	10,670	28,462	90,515	163,999	242,138
Differences Between Expected and Actual Experience	53,932	-	(1,470,726)	(282,956)	(39,609)
Changes of Assumptions	165,046	22,880	118,267	50,268	-
Benefit Payments	(244,167)	(592,203)	(1,316,983)	(1,521,417)	(1,980,465)
Net Change in Total OPEB Liability	16,051	(515,723)	(2,578,927)	(1,590,106)	(1,777,936)
Total OPEB Liability - Beginning	581,002	1,096,725	3,675,652	5,265,758	7,043,694
Total OPEB Liability - Ending (A)	$ 597,053	$ 581,002	$ 1,096,725	$ 3,675,652	$ 5,265,758
Plan Fiduciary Net Position:					
Contributions - Employer	$ -	$ -	$ -	$ 49,167	$ 462,435
Net Investment Income	124,913	77,934	64,452	60,700	121,232
Benefit Payments	(244,167)	(592,203)	(1,046,926)	(1,389,662)	(1,706,381)
Net Change in Plan Fiduciary Net Position	(119,254)	(514,269)	(982,474)	(1,279,795)	(1,122,714)
Plan Fiduciary Net Position - Beginning	1,095,009	1,609,278	2,591,752	3,871,547	4,994,261
Plan Fiduciary Net Position - Ending (B)	$ 975,755	$ 1,095,009	$ 1,609,278	$ 2,591,752	$ 3,871,547
District's Net OPEB Liability - Ending (A) - (B)	$ (378,702)	$ (514,007)	$ (512,553)	$ 1,083,900	$ 1,394,211
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	163.43%	188.47%	146.73%	70.51%	73.52%
Covered-Employee Payroll	$ 44,918,359	$ 41,752,198	$ 41,752,198	N/A	N/A
District's Net OPEB Liability as a Percentage of Covered-Employee Payroll	-0.84%	-1.23%	-1.23%	N/A	N/A
Annual Money-Weighted Rate of Return, Net of Investment Expenses	12.06%	5.76%	3.07%	1.88%	2.73%

* The amounts presented for each fiscal year were determined as of the current fiscal year end. Amounts for prior years were not available.

See accompanying Notes to Required Supplementary Information.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF EMPLOYER CONTRIBUTIONS – OTHER POSTEMPLOYMENT BENEFIT PLAN
LAST 10 MEASUREMENT PERIODS *

	2021	2020	2019	2018	2017
Actuarially Determined Contribution (ADC)	$ 35,491	$ 3,372	$ 3,372	$ 49,166	$ 49,166
Contributions in Relation to the ADC	-	-	-	49,167	462,435
Contribution Deficiency (Excess)	35,491	$ 3,372	$ 3,372	$ (1)	$ (413,269)
Covered-Employee Payroll	$ 44,918,359	$ 41,752,198	$ 41,752,198	N/A	N/A
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%	N/A	N/A

Key Methods and Assumption Used to Calculate ADC			
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Asset Valuation Method	Market Value	Market Value	Market Value
Amortization Method	30-Year Level Dollar	30-Year Level Dollar	5-Year Level Dollar
Discount Rate	2.25%	3.5%	3.0%
Inflation	2.00%	2.50%	3.0%

* The amounts presented for each fiscal year were determined as of the current fiscal year end.
Amounts for prior years were not available.

See accompanying Notes to Required Supplementary Information.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) – WISCONSIN RETIREMENT SYSTEM
LAST 10 MEASUREMENT PERIODS

Plan Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.29066080%	$ (7,139,424)	$ 40,034,258	17.83%	102.74%
12/31/15	0.29484910%	4,791,241	43,414,112	11.04%	98.20%
12/31/16	0.29572680%	2,437,495	42,381,572	5.75%	99.12%
12/31/17	0.30477494%	(9,049,129)	43,093,273	21.00%	102.93%
12/31/18	0.29893846%	10,635,293	44,380,614	23.96%	96.45%
12/31/19	0.29685106%	(9,571,833)	46,154,698	20.74%	102.96%
12/31/20	0.28711571%	(17,925,032)	47,260,546	37.93%	105.26%

See accompanying Notes to Required Supplementary Information.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF CONTRIBUTIONS – WISCONSIN RETIREMENT SYSTEM
LAST 10 MEASUREMENT PERIODS

District Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/15	$ 2,843,593	$ 2,843,593	$ -	$ 41,296,560	6.89%
6/30/16	2,812,735	2,812,735	-	41,997,168	6.70%
6/30/17	2,844,921	2,844,921	-	42,452,401	6.70%
6/30/18	2,816,778	2,816,778	-	41,752,198	6.75%
6/30/19	2,882,298	2,882,298	-	43,532,044	6.62%
6/30/20	3,158,126	3,158,126	-	47,468,768	6.65%
6/30/21	3,317,436	3,317,436	-	49,878,160	6.65%

See accompanying Notes to Required Supplementary Information.

NOTE 1 OTHER POSTEMPLOYMENT BENEFITS

Changes of Benefit Terms

There were no changes of benefit terms.

Changes of Assumptions

Medical trend rate assumptions changed from the prior valuation by starting at 6.5% compared to starting at actual for first year and then increasing to 7% followed by decreases to 6.5% to an ultimate rate of 5.0%. Mortality rates in the June 30, 2020 valuation are based on Wisconsin 2018 Mortality table adjusted for future mortality improvements using the MP-2018 fully generated improvement scale (multiplied by 60%). The previous valuation used the Wisconsin 2012 Mortality Table adjusted for future mortality improvements using the MP-2015 fully generated improvement scale (multiplied by 50%). The actuarial assumptions used in the June 30, 2020 valuation were based on an experience study conducted in 2018 using Wisconsin Retirement System (WRS) experience from 2015-2017. The previous valuation used WRS experience from 2012-2014.

The District is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

NOTE 2 WISCONSIN RETIREMENT SYSTEM

Changes of Benefit Terms

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

Changes of Assumptions

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

The District is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING

Operating budgets are adopted each fiscal year for all governmental funds in accordance with Section 65.90 of the Wisconsin Statutes. Budgetary expenditure control is exercised at the function level. Reported budget amounts are as originally adopted or as amended by School Board resolution.

NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

The District follows these procedures in establishing the budgetary data reflected in the basic 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 make alterations to the proposed budget.
- Once 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.
- Appropriations lapse at year-end unless authorized as a carryover by the School Board. The portion of fund balance representing carryover appropriations is reported as a committed or assigned fund balance in the fund financial statements.
- Encumbrance accounting is used by the District as an extension of formal budgetary control during the year.
- The DPI requires the District to separate special education revenues and expenditures from other General Fund amounts.

The District did not have any material violation of legal or contractual provisions for the fiscal year ended June 30, 2021.

Budgetary Information

Budgetary information is derived from the annual operating budget and is presented in accordance with generally accepted accounting principles, except the District adopts a budget for the special education special revenue fund in accordance with requirements from Wisconsin Department of Public Instruction. In accordance with generally accepted accounting principles, this fund is included as a part of the general fund in these financial statements. An explanation of the differences between Revenues, Expenditures, and Other Financing Sources (Uses) for budgetary funds on budgetary fund basis and a U.S. GAAP General Fund basis is summarized below:

NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

	General	Special Education Fund
Revenues:		
Actual Amounts (Budgetary Basis)	$ 89,182,155	$ 8,036,414
Reclassification of Special Education	8,036,414	(8,036,414)
Total Revenues	97,218,569	-
Expenditures:		
Actual Amounts (Budgetary Basis)	79,542,639	16,372,155
Reclassification of Special Education	16,372,155	(16,372,155)
Total Expenditures	95,914,794	-
Excess of Revenues Over (Under) Expenditures:		
Actual Amounts (Budgetary Basis)	9,639,516	(8,335,741)
Reclassification of Special Education	(8,335,741)	8,335,741
Excess of Revenues Over (Under) Expenditures	1,303,775	-
Other Financing Sources (Uses):		
Actual Amounts (Budgetary Basis)	(8,884,037)	8,335,741
Reclassification of Special Education	8,335,741	(8,335,741)
Total Other Financing Sources (Uses)	(548,296)	-
Net Change In Fund Balance:		
Actual Amounts (Budgetary Basis)	755,479	-
Reclassification of Special Education	-	-
Net Change In Fund Balance	755,479	-
Fund Balance - July 1:		
Actual Amounts (Budgetary Basis)	24,046,146	
Reclassification of Special Education	-	-
Fund Balance - July 1	24,046,146	-
Fund Balance - June 30:		
Actual Amounts (Budgetary Basis)	24,801,625	
Reclassification of Special Education	-	-
Fund Balance - June 30	$ 24,801,625	$ -

NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Excess of Expenditures Over Budget Appropriations

The following expenditure accounts of the governmental funds had actual expenditures in excess of budget appropriations for the year ended June 30, 2021 as follows:

Funds	Excess Expenditures
General:	
Support Services:	
Pupil Services	$ 135,305
General Administration Services	530,856
Insurance	77,601
Nonprogram:	
General Tuition Payments	221,863
Adjustments and Refunds	278
Special Education:	
Support Services:	
Operations and Maintenance of Plant	30,954

Excess expenditures were funded with positive variances in other general fund appropriation accounts.

SUPPLEMENTARY INFORMATION

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue		
	Donations	Food Service	Community Service
ASSETS			
Cash and Investments	$ 1,358,135	$ 1,673,466	$ 328,727
Receivables:			
Accounts	73,791	-	-
Due from Other Governments	-	162,056	-
Total Assets	$ 1,431,926	$ 1,835,522	$ 328,727
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accrued and Other Current Liabilities	$ 48,330	$ 19,693	$ 6,882
Total Liabilities	48,330	19,693	6,882
FUND BALANCES			
Restricted	1,383,596	1,815,829	321,845
Total Fund Balances	1,383,596	1,815,829	321,845
Total Liabilities and Fund Balances	$ 1,431,926	$ 1,835,522	$ 328,727

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2021

Debt Service		Capital Projects	
Nonreferendum Debt Service	Referendum Debt Service	Long-Term Capital Improvement	Total Nonmajor Governmental Funds
$ 486,051	$ 1,621,474	$ 5,524,380	$ 10,992,233
-	-	-	73,791
-	-	-	162,056
$ 486,051	$ 1,621,474	$ 5,524,380	$ 11,228,080
$ -	$ -	$ -	$ 74,905
-	-	-	74,905
486,051	1,621,474	5,524,380	11,153,175
486,051	1,621,474	5,524,380	11,153,175
$ 486,051	$ 1,621,474	$ 5,524,380	$ 11,228,080

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	Special Revenue		
	Donations	Food Service	Community Service
REVENUES			
Property Taxes	$ -	$ -	$ 369,991
Other Local Sources	1,436,396	227,123	-
State Sources	-	71,258	-
Federal Sources	-	3,159,700	-
Total Revenues	1,436,396	3,458,081	369,991
EXPENDITURES			
Instruction:			
Regular Instruction	1,053,107	-	-
Other Instruction	286,212	-	-
Total Instruction	1,339,319	-	-
Support Services:			
Pupil Services	-	-	6,530
Instructional Staff Services	6,618	-	-
General Administration Services	-	-	49,965
Operations and Maintenance of Plant	50	9,649	184,138
Pupil Transportation Services	3,271	-	-
Food Services	-	3,273,387	-
Other Support Services	74,176	-	-
Total Support Services	84,115	3,283,036	240,633
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Total Debt Service	-	-	-

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2021

Debt Service		Capital Projects	
Nonreferendum Debt Service	Referendum Debt Service	Long-Term Capital Improvement	Total Nonmajor Governmental Funds
$ 2,069,300	$ 4,390,206	$ -	$ 6,829,497
290	825	2,039	1,666,673
-	-	-	71,258
-	-	-	3,159,700
2,069,590	4,391,031	2,039	11,727,128
-	-	-	1,053,107
-	-	-	286,212
-	-	-	1,339,319
-	-	-	6,530
-	-	-	6,618
-	-	-	49,965
-	-	-	193,837
-	-	-	3,271
-	-	-	3,273,387
-	-	-	74,176
-	-	-	3,607,784
1,175,000	2,250,000	-	3,425,000
909,924	2,565,975	-	3,475,899
2,084,924	4,815,975	-	6,900,899

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2021

	Special Revenue		
	Donations	Food Service	Community Service
EXPENDITURES (CONTINUED)			
Nonprogram:			
Post-Secondary Scholarship Expenditures	$ 1,220	$ -	$ -
Total Nonprogram	1,220	-	-
Total Expenditures	1,424,654	3,283,036	240,633
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	11,742	175,045	129,358
OTHER FINANCING SOURCES			
Premium on Debt Issued	-	-	-
Transfers In	-	-	-
Total Other Financing Sources	-	-	-
NET CHANGE IN FUND BALANCES	11,742	175,045	129,358
Fund Balances - Beginning of Year, as Orginally Stated	575,962	1,640,784	192,487
Cumulative Effect of Change in Accounting Principle	795,892	-	-
Fund Balances - Beginning of Year, as Restated	1,371,854	1,640,784	192,487
FUND BALANCES - END of YEAR	$ 1,383,596	$ 1,815,829	$ 321,845

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2021

Debt Service		Capital Projects	
Nonreferendum Debt Service	Referendum Debt Service	Long-Term Capital Improvement	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ 1,220
-	-	-	1,220
2,084,924	4,815,975	-	11,849,222
(15,334)	(424,944)	2,039	(122,094)
-	882,028	-	882,028
-	-	2,012,640	2,012,640
-	882,028	2,012,640	2,894,668
(15,334)	457,084	2,014,679	2,772,574
501,385	1,164,390	3,509,701	7,584,709
-	-	-	795,892
501,385	1,164,390	3,509,701	8,380,601
$ 486,051	$ 1,621,474	$ 5,524,380	$ 11,153,175

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOL AUTHORIZER OPERATING COSTS
YEAR ENDED JUNE 30, 2021

	Object	Point of Discovery School
OPERATING ACTIVITY		
Employee Salaries	100	$ 6,495
Employee Benefits	200	2,536
Purchased Services	300	-
Noncapital Objects	400	-
Capital Objects	500	-
Short-Term Debt	600	-
Insurance and Judgments	700	-
Other	900	-
Total		$ 9,031

ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR BASIC FINANCIAL STATEMENTS

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

School Board
Stevens Point Area Public School District
Stevens Point, Wisconsin

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Stevens Point Area Public School District, Stevens Point, Wisconsin (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 13, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying the schedule of findings and questioned costs as item 2021-001 that we consider to be a significant deficiency.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Stevens Point Area Public School District's Response to Finding

The District's response to the finding identified in our audit is described in the accompanying the schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Wausau, Wisconsin
December 13, 2021

FEDERAL AND STATE AWARDS

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE *STATE SINGLE AUDIT GUIDELINES*

School Board
Stevens Point Area Public School District
Stevens Point, Wisconsin

Report on Compliance for Each Major Federal and State Program

We have audited Stevens Point Area Public School District, Stevens Point, Wisconsin's (the District's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2021. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, the Uniform Guidance and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the District's compliance.

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Opinion on Each Major Federal and State Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Wausau, Wisconsin
December 13, 2021

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021

Grantor Agency/Federal Program Title	Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/20	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/21	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF AGRICULTURE								
Child Nutrition Cluster:								
National School Lunch Program	10.555	WI DPI	Unknown	$ -	$ 287,688	$ -	$ 287,688	$ -
Summer Food Service Program for Children	10.559	WI DPI	Unknown	-	4,835	-	4,835	-
COVID-19 Summer School Program	10.559	WI DPI	2021-495607-DPI-SFSP-566	(296,253)	2,955,742	161,204	2,820,693	-
Total Summer Food Service Program for Children				(296,253)	2,960,577	161,204	2,825,528	-
Total Child Nutrition Cluster				(296,253)	3,248,265	161,204	3,113,216	-
Child and Adult Care Food Program	10.558	WI DPI	2021-495607-DPI-AR-566	-	19,920	852	20,772	-
Total U.S. Department of Agriculture				(296,253)	3,268,185	162,056	3,133,988	-
U.S. DEPARTMENT OF EDUCATION								
Title I Grants to Local Educational Agencies	84.010	WI DPI	2021-495607-TIA-141	(139,848)	804,314	177,670	842,136	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2021-495607-TI-D Delin-140	(2,267)	2,267	-	-	
Title I Grants to Local Educational Agencies	84.010	WI DPI	2021-495607-DPI-TI-D N&D-144	-	37,437	2,814	40,251	-
Total Title I Grants to Local Educational Agencies				(142,115)	844,018	180,484	882,387	-
Migrant Education State Grant Program	84.011	WI DPI	2021-495607-TIC-142	-	48,273	-	48,273	-
Special Education Cluster (IDEA):								
Special Education Grants to States	84.027	WI DPI	2021-495607-DPI-IDEA-FT-341	(191,066)	1,525,710	257,245	1,591,889	-
Special Education Grants to States	84.027	WI DPI	2021-495607-DPI-UDLSUP-342	(5,874)	14,500	1,276	9,902	-
Total Special Education Grants to States				(196,940)	1,540,210	258,521	1,601,791	-
Special Education Preschool Grants	84.173	WI DPI	2021-495607-DPI-IDEA-P-347	(7,526)	51,082	7,472	51,028	-
Total Special Education Cluster (IDEA)				(204,466)	1,591,292	265,993	1,652,819	-

See accompanying Notes to Schedule of Expenditures of Federal and State Awards.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2021

Grantor Agency/Federal Program Title	Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/20	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/21	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF EDUCATION (CONTINUED)								
Career and Technical Education - Basic Grants to States	84.048	WI DPI	2021-495607-CTE-400	$ (4,060)	$ 53,061	$ -	$ 49,001	$ -
English Language Acquisition State Grants	84.365	WI DPI	2021-495607-DPI-TIIIA-391	(1,727)	51,411	6,284	55,968	-
Improving Teacher Quality State Grants	84.367	WI DPI	2021-495607-TIIA-365	(23,088)	155,987	36,061	168,960	-
Student Support and Academic Enrichment Program	84.424	WI DPI	2021-495607-DPI-TIV-A-381	-	67,617	-	67,617	-
COVID-19 Elementary and Secondary School Emergency Relief	84.425D	WI DPI	2021-495607-DPI-ESSERF-160	(75,891)	701,495	-	625,604	-
COVID-19 Elementary and Secondary School Emergency Relief	84.425D	WI DPI	2022-495607-DPI-ESSERFII-163	-	-	2,753,505	2,753,505	-
Total Elementary and Secondary School Emergency Relief				(75,891)	701,495	2,753,505	3,379,109	-
Total U.S. Department of Education				(451,347)	3,513,154	3,242,327	6,304,134	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES								
Medicaid Cluster:								
Medical Assistance Program	93.778	WI DHS	4421590	-	771,954	-	771,954	-
Total Medicaid Cluster				-	771,954	-	771,954	-
Total U.S. Department of Health and Human Services				-	771,954	-	771,954	-
Total Federal Expenditures				$ (747,600)	$ 7,553,293	$ 3,404,383	$ 10,210,076	$ -

RECONCILIATION TO THE BASIC FINANCIAL STATEMENTS

Federal Sources	$ 10,210,076

See accompanying Notes to Schedule of Expenditures of Federal and State Awards.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED JUNE 30, 2021

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number	(Accrued) Deferred Revenue 7/1/20	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/21	Total Expenditures	Subrecipient Payments
WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION								
Special Education and School Age Parents	255.101	Direct Program	495607-100	$ -	$ 4,289,121	$ -	$ 4,289,121	$ -
State School Lunch Aid	255.102	Direct Program	495607-107	-	32,167	-	32,167	-
Common School Fund (School Library) Aid	255.103	Direct Program	495607-104	-	341,232	-	341,232	-
Bilingual Bicultural Aid Lea	255.106	Direct Program	495607-111	-	112,316	-	112,316	-
General Transportation Aid	255.107	Direct Program	495607-102	-	254,300	-	254,300	-
WI School Day Milk Program	255.115	Direct Program	495607-109	-	26,857	-	26,857	-
Equalization Aids	255.201	Direct Program	495607-116	(647,937)	42,612,260	673,703	42,638,026	-
High Cost Special Education Aid	255.210	Direct Program	495607-119	-	132,620	-	132,620	-
Aid for School Mental Health Programs	255.227	Direct Program	495607-176	-	55,693	-	55,693	-
Supplemental Per Pupil Aid	255.245	Direct Program	495607-181	-	21,935	-	21,935	-
Special Education Transition Readiness Grant	255.257	Direct Program	495607-174	-	26,015	(378)	25,637	-
Peer Review and Mentoring	255.301	Direct Program	495607-141	-	24,933	-	24,933	-
State School Breakfast Aid	255.344	Direct Program	495607-108	-	12,234	-	12,234	-
Tuition Payments by State	255.401	Direct Program	495607-157	-	108,788	-	108,788	-
Early College Credit Program	255.445	Direct Program	495607-178	-	3,269	-	3,269	-
Educator Effective Evaluation System	255.940	Direct Program	495607-154	-	45,520	-	45,520	-
Per Pupil Aid	255.945	Direct Program	495607-113	-	5,355,756	-	5,355,756	-
Career and Technical Education Incentive Grants	255.950	Direct Program	495607-152	-	19,143	-	19,143	-
Assessments of Reading Readiness	255.956	Direct Program	495607-166	-	574	-	574	-
Aid for Special Ed Transition Grant BBL	255.960	Direct Program	495607-168		29,000		29,000	-
Total Wisconsin Department of Public Instruction				(647,937)	53,503,733	673,325	53,529,121	-

See accompanying Notes to Schedule of Expenditures of Federal and State Awards.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2021

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number	(Accrued) Deferred Revenue 7/1/20	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/21	Total Expenditures	Subrecipient Payments
WISCONSIN DEPARTMENT OF JUSTICE								
School Safety Initiative	455.206	Direct Program	2018-SSI-01-14058	$ (52,789)	$ 52,789	$ -	$ -	$ -
WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT								
Youth Apprenticeship	445.107	Mid-State Technical College	Unknown	-	6,268	-	6,268	-
Wisconsin Fast Forward	445.109	Direct Program	Unknown	-	34,737	-	34,737	-
Total Wisconsin Department of Workforce Development				-	41,005	-	41,005	-
Total State Programs				$ (700,726)	$ 53,597,527	$ 673,325	$ 53,570,126	$ -

RECONCILIATION TO THE BASIC FINANCIAL STATEMENTS

State Sources	$ 54,073,226
Intermediate Sources	7,665
Less: State Sources not Considered State Financial Assistance	
Exempt Computer Aid	(347,454)
Personal Property Aid	(112,331)
State Medical Records Payments	(260)
Payment in Lieu of Taxes and Other Revenues	(50,720)
Total Expenditures of State Awards	$ 53,570,126

See accompanying Notes to Schedule of Expenditures of Federal and State Awards.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
JUNE 30, 2021

NOTE 1 BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards for the Stevens Point Area Public School District are presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

The schedules of expenditures of federal and state awards include all federal and state awards of the District. Because the schedules present only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the District's 2021 fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and *State Single Audit Guidelines,* wherein certain types of expenditures are not allowable or are limited as to reimbursement. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the District in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded District expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances.

The District has not elected to charge a de minimis rate of 10% of modified total costs.

NOTE 3 SPECIAL EDUCATION AND SCHOOL AGE PARENTS PROGRAM

The 2020-2021 eligible costs under the State Special Education Program as reported by the District are $13,236,447. Compiled information required by compliance requirement 1-1 of the Special Education Audit Program was reported to the Wisconsin Department of Public Instruction.

NOTE 4 FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule of expenditures of federal awards at the fair market value of the commodities received and disbursed.

NOTE 5 OVERSIGHT AGENCIES

The federal and state oversight agencies for the District are as follows:

Federal – U.S. Department of Education
State – Wisconsin Department of Public Instruction

NOTE 6 PASS-THROUGH ENTITIES

Federal awards have been passed through the following entities:

WI DHS – Wisconsin Department of Health Services
WI DPI – Wisconsin Department of Public Instruction

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021

Section I – Summary of the Auditors' Results

Basic Financial Statements

1. Type of auditors' report issued:	Unmodified		
2. Internal control over financial reporting:			
• Material weakness(es) identified?	_____ yes	x no	
• Significant deficiency(ies) identified?	x yes	_____ none reported	
3. Noncompliance material to basic financial statements noted?	_____ yes	x no	

Federal Awards

1. Internal control over major federal programs:			
• Material weakness(es) identified?	_____ yes	x no	
• Significant deficiency(ies) identified?	_____ yes	x none reported	
2. Type of auditors' report issued on compliance for major federal programs:	Unmodified		
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____ yes	x no	

Identification of Major Federal Programs

Assistance Listing Numbers	**Name of Federal Program or Cluster**
84.425D	Elementary and Secondary School Emergency Relief
	Medicaid Cluster
93.778	Medical Assistance

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000

Auditee qualified as low-risk auditee? x yes _____ no

Section I – Summary of the Auditors' Results (Continued)

State Financial Assistance

1. Internal control over state programs:

   - Material weakness(es) identified? _____ yes _____x_____ no
   - Significant deficiency(ies) identified? _____ Yes _____x_____ none reported

2. Type of auditors' report issued on compliance for major state programs: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with the *State Single Audit Guidelines*? _____Yes _____x_____ no

Identification of Major State Programs:

State ID Number	Name of State Program
255.101	Special Education and School Age Parents
255.201	Equalization Aids
n/a	School Based Services (Medical Assistance)

Audit threshold used to determine between Type A and Type B programs:
State Awards $ 250,000

Section II – Financial Statement Findings

2021-001 Preparation of Annual Financial Report

Repeat of Finding 2020-001

Type of Finding

Significant Deficiency in Internal Control Over Financial Reporting.

Condition

Current District staff maintains accounting records which reflect the District's financial transactions; however, preparing the District's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. The District contracts with us and our knowledge of applicable accounting principles, financial statement format, and note disclosures to assist in the preparation of the annual financial report in an efficient manner. However, as independent auditors, CLA cannot be considered part of the District's internal control system. As part of its internal control over preparation of its financial statements, including disclosures, the District had implemented a comprehensive review procedure to ensure that the financial statements, including note disclosures, are complete and accurate.

Criteria

The preparation and review of the annual financial report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes or other required state financial reports

Cause

District management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.

Effect

Without our involvement, the District may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.

Recommendation

We recommend the District continue reviewing the annual financial report. Such review procedures should be performed by an individual possessing a thorough understanding of accounting principles generally accepted in the United States of America and knowledge of the District's activities and operations. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the District is necessary to obtain a complete and adequate understanding of the District's annual financial report.

Views of Reasonable Officials

There is no disagreement with the audit finding.

Section III – Federal and State Award Findings and Questioned Costs

There are no audit findings and questioned costs required to be reported in accordance with 2 CFR 200.516(a) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration for the year ended June 30, 2021.

Section IV – Other Issues

1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? — No

2. Does the audit report show audit issues (i.e., material noncompliance, nonmaterial noncompliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue, or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

   a. Department of Health Services — No
   b. Department of Public Instruction — No

3. Was a management letter or other document conveying audit comments issued as a result of this audit? — Yes

4. Name and signature of partner — Jon T. Trautman, CPA

5. Date of report — December 13, 2021