

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
FINANCIAL STATEMENTS**

**June 30, 2022**

# GLENDALE - RIVER HILLS SCHOOL DISTRICT

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**GLENDALE - RIVER HILLS SCHOOL DISTRICT**

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## INDEPENDENT AUDITOR'S REPORT

Board of Education  
Glendale - River Hills School District  
Milwaukee County, Wisconsin

### Report on the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Glendale-River Hills School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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 Glendale-River Hills School District as of June 30, 2022, and the respective changes in financial position, where applicable, and the respective budgetary comparisons for the General Fund, Special Education Fund and Community Service Fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

#### *Emphasis of Matter*

As described in Note 19 to the financial statements, the District has changed its method of accounting for leases for the year ended June 30, 2022 due to the adoption of GASB Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

#### *Basis of Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management 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 error or fraud.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and Budgetary Comparison Schedule – General Fund, Budgetary Comparison Schedule – Special Education, Schedule of Proportionate Share of Net Pension Liability (Asset) – Wisconsin Retirement System, Schedule of Contributions – Wisconsin Retirement System, Schedule of Changes in the Total Pension Liability and Related Ratios Supplemental Pension Plan, Schedule of Changes in Total OPEB Liability and Related Ratios Other Postemployment Benefits Plan, Schedule of Proportionate Share of the Net OPEB Liability (Asset) Local Retiree Life Insurance Fund, Schedule of Contributions – Local Retiree Life Insurance Fund and Notes to the Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary 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 financial information listed in the table of contents as supplemental financial information; and the schedules of expenditures of federal awards and state awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and by the Wisconsin Department of Administration; are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental financial information and the schedules of expenditures of federal awards and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with Government Auditing Standards, we have also issued our reports dated December 14, 2022 on our consideration of the Glendale-River Hills School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting compliance.

SCHUMACHER SAMA, LLP



Wauwatosa, Wisconsin  
December 14, 2022

**GLENDALÉ – RIVER HILLS SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2022**

Management's Discussion and Analysis of the Glendale - River Hills School District financial performance provides an overall review of financial activities for the fiscal year ending June 30, 2022 and focuses on school district financial performance as a whole.

**FINANCIAL HIGHLIGHTS**

- The District's overall financial status, as reflected in total net position, increased by \$1,627,148.
- The General Fund (Fund 10) balance increased \$559,427 from \$3,782,756 to \$4,342,183. The fund balance is 25% of general fund expenditures (excluding transfers). There was a balanced budget adopted in October 2021. General fund revenues were \$569,165 below projected. Expenditures were under budget by \$560,923. Special Education revenues were \$333,416 above projected, while expenses were \$34,253 under projected.
- Capital assets have been reported at \$14.8 million and accumulated depreciation of \$9.9 million for a net capital asset value of \$4.9 million. The amount listed represents the historical cost or estimated historical cost of all sites, site improvements, buildings and building improvements, furniture and equipment with a unit value of at least \$500. Independent physical inventories were conducted in Spring 2022. Capital assets are assigned as an expenditure function and annual and accumulated depreciation for each expenditure function has been incorporated into the financial statements (see Note 4 in the Notes to the Financial Statements).
- Total revenues for Governmental Funds were \$19.7 million. This amount includes \$13.8 million of local property taxes and \$2.4 million in state and \$1.9 million in federal aid.
- The district follows GASB #68, *Accounting and Financial Reporting for Pension* and GASB #71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* for its membership in the Wisconsin Retirement System (WRS) pension plan. This allows the District to report its proportionate share of the WRS plan net pension asset and/or liability. As of June 30, 2022, a \$3,989,032 net pension asset is reported in the Statement of Net Position.
- The District follows GASB #73, *Accounting and Financial Reporting for Pensions* for its Supplemental Pension Plan. This allows the District to report its total supplemental pension liability. As of June 30, 2022, a \$987,239 supplemental pension liability is reported in the Statement of Net Position.
- The District follows GASB #75, *Accounting and Financial Reporting for Post Employment Benefits Other Than Pensions*. This allows the District to report its actuarial liability related to post employment health insurance benefits. As of June 30, 2022, a \$3,569,842 total OPEB postemployment health insurance liability is reported in the Statement of Net Position.
- The District follows GASB #75, *Accounting and Financial Reporting for Post Employment Benefits Other Than Pensions*. This allows the District to report its actuarial liability related to postemployment life insurance benefits. As of June 30, 2022, a \$733,329 total OPEB post employment life insurance liability is reported in the Statement of Net Position.
- The District implemented GASB #87, *Leases* as of July 1, 2021. This resulted in the government wide statements recognizing right-of-use leased assets, accumulated amortization, and lease liability with a prior period adjustment to net position of \$232.

**GLENDALÉ – RIVER HILLS SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2022**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The annual financial report consists of four parts:

1. Management's Discussion and Analysis
2. Basic Financial Statements (District-Wide and Fund Statements)
3. Notes to the Financial Statements
4. Required and Additional Supplementary Information

The basic financial statements consist of *District-Wide Financial Statements* and *Fund Statements* that present different views of the District's financial activities.

**District-Wide Financial Statements**

- The *Statement of Net Position* and *Statement of Activities* provide information on a District-wide basis. These statements present an aggregate view of the District's finances. These statements contain useful long-term information as well as information for the 2021-2022 fiscal year.
- The *Statement of Net Position* compares assets to liabilities to give an overall view of the financial health of the district.
- The *Statement of Activities* defines the District's expenses by function and illustrates the total that is offset by corresponding revenues (charges for services and/or operating grants and contributions). General revenue and any extraordinary credits are identified. The result is total net expense offset by general and miscellaneous revenue and recognizing the change in net assets for the District from the previous year.

**Fund Financial Statements**

- The remaining statements: *Balance Sheet - Governmental Funds* and *Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds* focuses on individual parts of the District. Fund statements generally report operations in more detail than the District-wide statements and support the *Statement of Net Position*.
- *The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual* is required Supplementary Information, which further explains and supports the financial statements by including a comparison of the District's budget data for the year.
- The *Notes to the Financial Statements* provide further explanation of some of the information in the statements and provide additional disclosure so statement users have a complete picture of the District's financial activities and position.
- *Required Supplementary Information* further explains and supports the financial statements by including a comparison of the District's budget data for the year and includes all reports in the financial statements through and including the financial notes.
- *Supplemental Information* provides information specific to nonmajor governmental funds.



**GLENDAL – RIVER HILLS SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2022**

**Table 1 - Major Features of District-Wide and Fund Financial Statements**

	<b>District-Wide Statements</b>	<b>Governmental Fund Statements</b>	<b>Proprietary Fund Statements</b>	<b>Fiduciary Fund Statements</b>
<b>Scope</b>	Entire District (except fiduciary funds)	The activity of the District that is not proprietary or fiduciary, such as instructional, support services and community services.	An activity the District operates similar to private businesses. <b><u>The District does not report any program for this designation.</u></b>	Assets held by the District on behalf of someone else.
<b>Required Financial Statements</b>	Statement of Net Position  Statement of Activities	Balance Sheet  Statement of Revenues, Expenditures and Changes in Fund Balance	Statement of Net Position  Statement of Revenues, Expenses and Changes in Net Position  Statement of Cash Flows	Statement of Fiduciary Net Position  Statement of Changes in Fiduciary Net Position
<b>Basis of Accounting and Measurement Focus</b>	Accrual accounting  Economic resources focus	Modified accrual accounting  Current financial resources focus	Accrual accounting  Economic resources focus	Accrual accounting  Economic resources focus
<b>Type of Asset and Liability Information</b>	All assets and liabilities, both financial and capital, short-term and long-term.	Generally, assets expected to be used and liabilities that come due during the year or soon thereafter. No capital assets or long-term liabilities are included.	All assets and liabilities, both financial and capital, short-term and long-term.	All assets and liabilities, both financial and capital, short-term and long-term. <b><u>The District's fiduciary funds do not currently contain capital assets.</u></b>
<b>Type of Inflow and Outflow Information</b>	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year. Expenditures when goods or services have been received and the related liabilities are due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions or deductions during the year, regardless of when cash is received and paid.

**GLENDALE – RIVER HILLS SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2022**

**Table 2**  
**Condensed Statement of Net Position**  
*(in thousands of dollars)*  
*(2021 has not been restated for GASB 87 implementation)*

	<b>Governmental Activities</b>		<b>% Change</b>
	<b>2022</b>	<b>2021</b>	<b>2019-20</b>
Current Assets	\$ 8,877.9	\$ 8,239.5	7.75%
Non-Current Assets	8,901.7	8,254.1	7.85%
Deferred Outflows of Resources	8,715.9	6,151.2	41.69%
<b>Total assets and deferred outflows</b>	<b>\$ 26,495.4</b>	<b>\$ 22,644.8</b>	17.00%
Current Liabilities	\$ 4,098.7	\$ 4,128.9	-0.73%
Non-Current Liabilities	6,465.3	6,648.8	-2.76%
Deferred Inflows of Resources	10,029.7	7,592.8	32.10%
<b>Total liabilities and deferred inflows</b>	<b>\$ 20,593.7</b>	<b>\$ 18,370.5</b>	12.10%
Net position			
Net investment in capital assets	\$ 3,490.8	\$ 3,424.0	1.95%
Restricted	2,881.4	1,759.2	63.79%
Unrestricted	(470.5)	(908.8)	-48.23%
<b>Total net position</b>	<b>\$ 5,901.7</b>	<b>\$ 4,274.3</b>	38.07%

*Note: totals may not add due to rounding.*

**Statement of Net Position (Table 2)**

As of June 30, 2022, the District reported total assets and deferred outflows of \$26.5 million and total liabilities and deferred inflows of \$20.6 million. Net position amounts to \$5.9 million. Non-current asset reporting includes historical cost of sites, site improvements, buildings, building improvements, furniture and equipment, right-of-use leased assets (all net of accumulated depreciation and amortization) and a net pension asset. Non-current liability reporting includes total supplementary pension, postemployment life insurance and OPEB health insurance liabilities.

**GLENDAL – RIVER HILLS SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2022**

**Table 3  
Change in Net Position  
Governmental Activities  
(in thousands of dollars)  
(2021 has not been restated for GASB 87 implementation)**

	<u>2022</u>	<u>%</u>	<u>2021</u>	<u>%</u>
<b>Revenues:</b>				
Program revenues				
Charges for services	\$ 1,539.4	7.8%	\$ 1,480.3	7.9%
Operating grants & contributions	1,543.3	7.8%	1,595.6	8.5%
General revenues				
Property taxes	13,753.6	69.7%	13,801.8	73.7%
General federal and state aid	2,778.9	14.1%	1,709.6	9.1%
Other	117.4	0.6%	135.9	0.7%
<b>Total revenues</b>	<b><u>19,732.5</u></b>	<b><u>100%</u></b>	<b><u>18,723.2</u></b>	<b><u>100%</u></b>
<b>Expenses:</b>				
Instruction	\$ 10,136.6	56.0%	\$ 9,009.4	55.4%
Pupil & instructional services	1,608.7	8.9%	2,475.7	15.2%
Administration and business	4,911.0	27.1%	3,692.9	22.7%
Interest on debt	118.4	0.7%	86.0	0.5%
Food Service	809.4	4.5%	347.2	2.1%
Community Service	39.2	0.2%	192.7	1.2%
Other	482.1	2.7%	452.7	2.8%
<b>Total expenses</b>	<b><u>18,105.4</u></b>	<b><u>100%</u></b>	<b><u>16,256.7</u></b>	<b><u>100%</u></b>
<b>Change in net position</b>	<b><u>\$ 1,627.1</u></b>		<b><u>\$ 2,466.5</u></b>	

*Note: totals may not foot due to rounding.*

**Changes in Net Position from Operating Results for Governmental Activities (Table 3)**

**Revenues**

- The District received \$19.7 million in revenue for the 2021-2022 fiscal year. Seventy percent (70%) of the District's total revenue came from local school property tax and prior year charge backs. The District received approximately sixteen percent (16%) in the form of specific use State Grants, Federal Aid, and direct fees for services. Fourteen percent (14%) of the total came from other Federal and State Aid. The overall make-up of the sources of revenue did not vary significantly from the previous fiscal year.
- Individuals who directly participated or benefited from a program contributed \$1.5 million of the cost. Book and activity fees, admissions to athletic events, open enrollment tuition, and building rental fees are included as charges for services.
- Federal and State governments subsidized certain programs with specific grants and contributions of \$1.5 million. Special Education Aid and Transportation Aid are examples of operating grants and contributions.

**GLENDALE – RIVER HILLS SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2022**

**Expenses**

- The District's total expenditure amount was \$18.1 million for fiscal year 2021-2022. Sixty-five percent (65%) was directed to pupil instruction and instructional services. Costs for teacher salaries/benefits, textbooks, and instructional supplies are examples of instructional services. Administration and business services account for twenty-seven percent (27%) of total expenses. Examples of support services include Administration, transportation, staff development activities, district maintenance, property/casualty insurance/early retirement costs and short-term borrowing. The costs associated with Debt Service and other costs account for eight percent (8%) of all District expenses.

	<b>2022</b>		<b>2021</b>	
	<b>Total Cost of Services</b>	<b>Net cost of Services</b>	<b>Total Cost of Services</b>	<b>Net cost of Services</b>
Instruction	\$ 10,136,619	\$ 8,206,017	\$ 9,009,410	\$ 6,637,818
Pupil/Instructional Services	1,608,708	1,480,346	2,475,709	2,159,784
Administrative Service	4,911,005	4,768,768	3,692,905	3,632,408
Food Service	809,383	(72,082)	347,224	19,386
Community Service	39,153	39,153	192,749	192,749
Other Support	461,213	461,213	452,653	452,653
Debt Service	118,438	118,438	86,014	86,014
<b>Total</b>	<b><u>\$ 18,084,519</u></b>	<b><u>\$ 15,001,853</u></b>	<b><u>\$ 16,256,664</u></b>	<b><u>\$ 13,180,812</u></b>

- The total cost of all governmental activities was \$18.1 million. (Table 4)
- The net cost of governmental activities was \$15 million. The net cost is the total cost less the program revenues. Refer to the Statement of Activities for the detailed adjustments made for the net cost of services.

**General Fund Budgetary Comparison**

The District adopts an interim budget in June for the subsequent year. Consistent with current state statutes and regulations, the original budget may be amended in October to reflect the actual revenue cap and state aid certification. The budget was subsequently amended in June 2022.

The final Fund 10 budget was a balanced budget. Actual results for 2021-2022 show a surplus of \$559,427.

**Fund Balances**

- The District shows a total for all fund balances of \$5,037,278 on June 30, 2022. (See Note 11 in the financial statements for the detail of total governmental fund balances).
- \$4,342,183 is in the General Fund balance. The District utilizes this fund balance for funding short-term operations. The interest earned on investment of these funds provides additional spending capacity. A fund balance of this size is a positive sign of financial viability, enhances the District's bond ratings, and allows the District to respond to non-recurring economic needs.

**GLENDALE – RIVER HILLS SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2022**

**Governmental Activities**

The District’s current financial position can be credited to effective and conservative fiscal management.

- It has been the goal of the Board of Education in the past to adopt balanced budgets.
- Labor expenses are the single largest costs in the District budget. Expenses are managed conservatively to match available revenue. The District utilizes shared service contracts with neighboring school districts to reduce administrative expenses. Staff retirements have allowed the District to manage reductions effectively through attrition.
- The District continues to participate in consortiums for low incidence special education programs, transportation and food service operations. The District also belongs to an area-wide shared services task force which meets quarterly to pursue future shared service opportunities to create efficiencies and reduce costs.

**Right-of-Use Leased Assets, Capital Assets, and Debt Administration**

**Right-of-Use Leased Assets**

- At June 30, 2022, the District reported \$99,001 of right-of-use leased assets and \$66,917 accumulated amortization.

**Capital Assets**

- At June 30, 2022, the District reported \$14.8 million of capital assets and \$9.9 million of accumulated depreciation.

**Long Term Debt**

- As of June 30, 2022, the District had \$1,421,880 in long-term obligations which included \$1,390,217 in general obligation promissory notes and bonds and \$31,663 in lease liabilities. (Note 6 in the Financial Statements details the long-term obligations).

General Obligation Debt of the District is secured by an irrevocable tax levy adopted by the School Board at the time of issuance. Wisconsin State Statutes require that the first property tax receipts be segregated for use for annual debt service payment. The Glendale - River Hills School District complies with all these statutory requirements.

**Decisions that Will Impact the Future of the District**

The District continued to have community support as we begin the new \$7.9M referendum in 2020-21. The approval of the 5-year referendum beginning in 2020-21 provides an additional \$600,000 in local revenue with initial estimates allowing staff and services provided to our students remaining the same. As has always been the case, future financial decisions will continue to be impacted by the laws that limit public school sources of the federal, state and local revenue. Unfunded mandates, contracted services, staffing needs and healthcare costs are factors that continue to impact future budget decisions.

**GLENDALÉ – RIVER HILLS SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2022**

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions regarding this report or need additional financial information, please contact:

Lindsay Johnson, Finance Manager  
Glendale - River Hills School District  
2600 West Mill Road  
Glendale WI, 53290

Phone: (414) 351-7175

**BASIC FINANCIAL STATEMENTS**

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
June 30, 2022**

**ASSETS**

**Current Assets**

Cash and investments	\$ 5,799,136
Accounts receivable	1,535,173
Due from other governments	1,543,675
<b>Total Current Assets</b>	<b>8,877,984</b>

**Non-current Assets**

Capital assets, net of accumulated depreciation	4,880,579
Right-of-use leased assets, net of accumulated amortization	32,084
Net pension asset - Wisconsin Retirement System	3,989,032
<b>Total Non-Current Assets</b>	<b>8,901,695</b>

**Total Assets**

**17,779,679**

**Deferred Outflows of Resources**

Deferred outflows of resources from OPEB - life	234,550
Deferred outflows of resources from OPEB - health	502,249
<b>Total deferred outflow of resources OPEB</b>	<b>736,799</b>
Deferred outflows of resources from WRS pension	7,533,628
Deferred outflows of resources from supplemental pension	445,425
<b>Total deferred outflow of resources from pensions</b>	<b>7,979,053</b>
<b>Total Deferred Outflows of Resources</b>	<b>8,715,852</b>

**Total Assets and Deferred Outflows of Resources**

**\$ 26,495,531**

**LIABILITIES**

**Current Liabilities**

Current portion of long-term obligation	\$ 246,995
Accounts payable and accrued expenses	1,351,808
Notes payable	2,500,000
<b>Total Current Liabilities</b>	<b>4,098,803</b>

**Non-Current Liabilities**

Net OPEB liability - Post employment health insurance	3,569,842
Net OPEB liability - Post employment life insurance	733,329
<b>Total non-current net OPEB liability</b>	<b>4,303,171</b>
Net pension liability - Supplemental pension	987,239
Non-current portion of long-term obligations	1,174,885
<b>Total Non-current Liabilities</b>	<b>6,465,295</b>

**Total Liabilities**

**10,564,098**

**Deferred Inflows of Resources**

Deferred inflows of resources from OPEB - life	148,120
Deferred inflows of resources from OPEB - health	437,564
<b>Total deferred inflows of resources OPEB</b>	<b>585,684</b>
Deferred inflows of resources from WRS pension	9,399,810
Deferred inflows of resources from supplemental pension	44,252
<b>Total deferred inflow of resources from pensions</b>	<b>9,444,062</b>
<b>Total Deferred Inflows of Resources</b>	<b>10,029,746</b>

**Total Liabilities and Deferred Inflows of Resources**

**20,593,844**

**NET POSITION**

Net investment in capital assets	3,490,783
Restricted	2,881,357
Unrestricted	(470,453)
<b>Total Net Position</b>	<b>5,901,687</b>

**Total Liabilities, Deferred Inflows of Resources, and Net Position**

**\$ 26,495,531**

See accompanying notes to the financial statements.



**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 2022

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes In Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Instruction</b>				
Regular	\$ 7,122,775	\$ 1,193,588	\$ 364,325	\$ (5,564,862)
Special education	2,076,186	19,034	205,384	(1,851,768)
Vocational	82,742	16,457	-	(66,285)
Physical	480,073	95,184	-	(384,889)
Other	374,843	36,630	-	(338,213)
<b>Total Instruction</b>	<u>10,136,619</u>	<u>1,360,893</u>	<u>569,709</u>	<u>(8,206,017)</u>
<b>Support Services</b>				
Pupil services	925,359	-	88,830	(836,529)
Instructional support services	683,349	-	39,532	(643,817)
General administrative services	438,006	-	-	(438,006)
Building administrative services	824,605	-	-	(824,605)
Business administrative services	394,278	27,110	84,550	(282,618)
Operations and maintenance	2,853,977	-	-	(2,853,977)
Central services	297,474	-	30,577	(266,897)
Insurance and judgments	102,665	-	-	(102,665)
Debt service	118,438	-	-	(118,438)
Other support services	461,213	-	-	(461,213)
Food Service	809,383	151,403	730,062	72,082
<b>Total Support Services</b>	<u>7,908,747</u>	<u>178,513</u>	<u>973,551</u>	<u>(6,756,683)</u>
Community services	<u>39,153</u>	<u>-</u>	<u>-</u>	<u>(39,153)</u>
<b>Total Activities</b>	<u>\$ 18,084,519</u>	<u>\$ 1,539,406</u>	<u>\$ 1,543,260</u>	<u>(15,001,853)</u>
<b>General Revenues</b>				
<b>Property taxes</b>				
General purposes				12,940,748
Debt service				266,133
Community service				546,755
<b>State and Federal aids not restricted to specific functions</b>				2,778,870
<b>Gifts</b>				471
<b>Investment income</b>				2,552
<b>Other revenue</b>				114,351
<b>Total General Revenues</b>				<u>16,649,880</u>
<b>Other Expense</b>				
Loss on sale of capital assets				<u>(20,879)</u>
<b>CHANGE IN NET POSITION</b>				<u>1,627,148</u>
Net Position, beginning of year, as restated				<u>4,274,539</u>
<b>NET POSITION, end of year</b>				<u>\$ 5,901,687</u>

See accompanying notes to the financial statements.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2022**

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and investments	\$ 5,242,393	\$ 554,941	\$ 5,797,334
Taxes receivable	1,452,585	-	1,452,585
Accounts receivable	274	84,115	84,389
Due from other governments	<u>1,466,572</u>	<u>77,103</u>	<u>1,543,675</u>
<b>Total Assets</b>	<u><u>\$ 8,161,824</u></u>	<u><u>\$ 716,159</u></u>	<u><u>\$ 8,877,983</u></u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Notes payable	\$ 2,500,000	\$ -	\$ 2,500,000
Payroll taxes and withholdings	1,281,653	20,436	1,302,089
Accrued interest payable	36,438	-	36,438
Unearned revenue	<u>1,550</u>	<u>628</u>	<u>2,178</u>
<b>Total Liabilities</b>	<u><u>\$ 3,819,641</u></u>	<u><u>\$ 21,064</u></u>	<u><u>\$ 3,840,705</u></u>
<b>Fund Balances</b>			
Restricted	63,412	695,095	758,507
Unassigned	<u>4,278,771</u>	<u>-</u>	<u>4,278,771</u>
<b>Total Fund Balances</b>	<u><u>4,342,183</u></u>	<u><u>695,095</u></u>	<u><u>5,037,278</u></u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$ 8,161,824</u></u>	<u><u>\$ 716,159</u></u>	

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

Right-of-Use Leased Assets used in governmental activities are not financial resources and therefore are not reported in the funds.	32,084
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	4,880,579
The District's proportionate share of net pension assets (liabilities) as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements.	(2,615,272)
Long-term liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(1,432,982)</u>
<b>Net Position of Governmental Activities</b>	<u><u>\$ 5,901,687</u></u>

See accompanying notes to the financial statements.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2022**

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>			
Local	\$ 13,279,173	\$ 991,753	\$ 14,270,926
Interdistrict	1,023,124	-	1,023,124
Intermediate	2,014	-	2,014
State	2,393,077	3,425	2,396,502
Federal	1,198,940	726,636	1,925,576
Other sources	114,623	-	114,623
<b>Total Revenues</b>	<u>18,010,951</u>	<u>1,721,814</u>	<u>19,732,765</u>
<b>Expenditures</b>			
<b>Instruction</b>			
Regular	6,451,947	-	6,451,947
Physical	514,516	-	514,516
Special education	2,157,858	-	2,157,858
Vocational	88,960	-	88,960
Other	187,118	48,366	235,484
<b>Total Instruction</b>	<u>9,400,399</u>	<u>48,366</u>	<u>9,448,765</u>
<b>Support Services</b>			
Pupil services	995,511	-	995,511
Instructional support services	703,719	-	703,719
General administrative services	440,967	-	440,967
Building administrative services	885,659	-	885,659
Business administrative services	394,278	-	394,278
Operations and Maintenance	2,470,901	430,731	2,901,632
Central services	297,474	-	297,474
Insurance and judgments	102,665	-	102,665
Other support services	443,314	159	443,473
Debt service			
Principal	19,989	224,155	244,144
Interest and fees	80,727	39,203	119,930
Community services	-	39,373	39,373
Food Service	-	809,384	809,384
<b>Total Support Services</b>	<u>6,835,204</u>	<u>1,543,005</u>	<u>8,378,209</u>
<b>Non-Program</b>			
General tuition payments	1,203,298	-	1,203,298
Other non-program services	12,623	-	12,623
<b>Total Non-Program</b>	<u>1,215,921</u>	<u>-</u>	<u>1,215,921</u>
<b>Total Expenditures</b>	<u>17,451,524</u>	<u>1,591,371</u>	<u>19,042,895</u>
<b>NET CHANGE IN FUND BALANCES</b>	559,427	130,443	689,870
Fund Balances, beginning of year	<u>3,782,756</u>	<u>564,652</u>	<u>4,347,408</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 4,342,183</u>	<u>\$ 695,095</u>	<u>\$ 5,037,278</u>

See accompanying notes to the financial statements.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2022**

Net Change in Fund Balances - Total Governmental Funds		\$ 689,870
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report lease outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over lease terms as amortization expense.</p>		
Amortization expense reported in the Statement of Activities		(19,800)
<p>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 as depreciation expense.</p>		
Capital outlay reported in governmental fund statements	\$ 214,593	
Depreciation expense reported in the Statement of Activities	(351,480)	
Loss on disposal of capital assets	<u>(20,879)</u>	(157,766)
<p>Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which repayments exceeded proceeds.</p>		
		244,144
<p>Net difference between pension system contributions recognized in the fund statement of revenues, expenditures, and changes in fund balances and the statement of activities.</p>		
		869,206
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>		
		<u>1,494</u>
<b>Change in Net Position of Governmental Activities</b>		<b><u><u>\$ 1,627,148</u></u></b>

See accompanying notes to the financial statements.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 1 - Summary of Significant Accounting Policies**

The accounting policies of the Glendale - River Hills School District conform to generally accepted accounting principles as applicable to governmental units.

**A. REPORTING ENTITY**

The Glendale - River Hills School District is organized as a unified school district. The District, governed by a five-member elected school board, operates grades K4 through 8<sup>th</sup> grade and is comprised of two taxing districts. This report includes all of the funds of the Glendale - River Hills School District. The reporting entity for the District consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. This report does not contain any component units.

**B. BASIS OF PRESENTATION**

**District-Wide Financial Statements**

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. The District does not report any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The District does not allocate indirect expenses to functions in the Statement of Activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not 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. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

Internally dedicated resources are reported as general revenues rather than as program revenues.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**B. BASIS OF PRESENTATION (continued)**

**Fund Financial Statements**

Fund Financial Statements of the reporting entity are organized into funds, each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets/deferred outflows of resources, liabilities/deferred inflows of resources, net position/fund equity, revenues, and expenditures/expenses.

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

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

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

**Governmental Activities**

Governmental funds are identified as either general, special revenue, debt service, capital projects, or permanent funds based upon the following guidelines:

**General Fund**

The General Fund is the general operating fund of the District and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds**

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects or expendable trusts) that are legally restricted to expenditures for specified purposes.

**Debt Service Funds**

Debt Service Funds are used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest, and related costs.

**Capital Projects Funds**

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**B. BASIS OF PRESENTATION (continued)**

**Permanent Funds**

Permanent Funds are used to account for resources legally held in trust. All resources of the fund, including any earnings on invested resources, may be used to support the organization.

**Fiduciary Funds (Not Included in District-Wide Statements)**

**Private-Purpose Trust Funds**

Private-purpose Trust Funds are used to account for resources legally held in trust for student scholarships, if any.

**Custodial Funds**

Custodial Funds are used to account for assets held by the District as an agent for individuals, private organizations, and/or other governmental units.

**Major Funds**

The District reports the following major governmental fund:

General Fund

**NonMajor Funds**

The District reports the following nonmajor funds:

Food Service Fund  
Gift Fund  
Community Service Fund  
Debt Service Fund

**C. BASIS OF ACCOUNTING**

The District-wide Statement of Net Position and Statement of Activities are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**C. BASIS OF ACCOUNTING (continued)**

The modified accrual basis of accounting is followed by the governmental funds and custodial funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property tax revenues are recognized as revenues in the fiscal year levied as the District considers the property taxes as due prior to June 30. The District considers the taxes as due on January 1 the date from which interest and penalties accrue for non-payment of a scheduled installment. Full receipt of the entire levy is assured within sixty days of the school's fiscal year end. Receipt of the balance of taxes levied within sixty days meets the requirements for availability in accordance with generally accepted accounting principles applicable to governmental entities.

Property taxes are collected by local taxing districts until May 31. Real estate tax collections after that date are made by county, which assumes all responsibility for delinquent real estate taxes.

The aggregate amount of property taxes to be levied for school purposes is determined according to provisions of Chapter 120 of the Wisconsin Statutes. Property taxes levied by the District are certified to local taxing district for collection. Property taxes attach as an enforceable lien as of January 1. Taxes are levied in December on the assessed value as of the prior January 1.

Property tax calendar – 2020 tax roll:

Real Property	
Lien date and levy date	October 2021
Tax bills mailed	December 2021
Payment in full, or	January 31, 2022
First installment due	January 31, 2022
Second installment due	March 31, 2022
Third installment due	May 31, 2022
Final settlement	August 31, 2022
Personal property taxes in full	January 31, 2022

State general and categorical aids and other entitlements are recognized as revenue in the period the District is entitled to the resources and the amounts are available. Expenditure-driven programs currently reimbursable are recognized as revenue when the qualifying expenditures have been incurred and the amounts are available. Amounts owed to the District which are not available are recorded as receivables and deferred revenue. Amounts received prior to the entitlement period are also recorded as deferred inflows.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, expenditure-driven grant programs, public charges for services, and investment income.

Charges for services provided other educational agencies and private parties are recognized as revenue when services are provided. Charges for special educational services are not reduced by anticipated state special education aid entitlements.



**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**C. BASIS OF ACCOUNTING (continued)**

For governmental fund financial statements, unearned revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received before the District has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized.

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

**D. MEASUREMENT FOCUS**

On the District-wide Statement of Net Position and Statement of Activities governmental activities are presented using the economic resources measurement focus. Under this concept, revenues and expenses are matched using the accrual basis of accounting.

The measurement focus of all governmental funds is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or a reservation of fund equity. Liabilities for claims, judgments, compensated absences and pension contributions which will not be currently liquidated using expendable available financial resources are included as liabilities in the District-wide and enterprise fund financial statements but are excluded from the governmental fund financial statements. The related expenditures are recognized in the governmental fund financial statements when the liabilities are liquidated.

**E. LONG-TERM OBLIGATIONS**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the District-wide or fund financial statements.

All long-term debt to be repaid from governmental resources are reported as liabilities in the District-wide statements. The long-term debt consists primarily of notes payable, capital leases and accrued compensated absences.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures.

**F. CAPITAL ASSETS**

**District-Wide Statements**

In the District-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets which are recorded at their estimated fair value at the date of donation.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**F. CAPITAL ASSETS (continued)**

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. The District uses a minimum capitalization limit of \$500. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Site Improvements	10-20 years
Buildings	45 years
Machinery and equipment	5-20 years
Computer and related technology	5 years
Textbooks	5 years
Library books	15 years

**Fund Financial Statements**

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

**G. RIGHT-OF-USE LEASED ASSETS**

The school has recorded right-of use leased assets as a result of implementing GASB #87. The right-of-use leased assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, plus ancillary charges necessary to place the lease into service. The right-of-use leased assets are amortized on a straight-line basis over the life of the related lease.

**H. BUDGETS**

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1.C.

Operating budgets are adopted each fiscal year for all governmental funds in accordance with section 65.90 of the Wisconsin Statutes. The legally adopted budget and budgetary expenditure control is exercised at the object level in the General Fund and at the fund level for all other funds. Reported budget amounts are as amended by School Board resolution. Appropriations lapse at year end unless specifically carried over.

**J. ALLOWANCES FOR UNCOLLECTIBLE ACCOUNTS**

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

**K. COMPENSATED ABSENCES AND OTHER EMPLOYEE BENEFIT AMOUNTS**

The District's policy does not allow accumulated vacation and sick pay benefits to vest. Unused accumulated vacation and sick pay benefits are forfeited upon retirement or termination of employment. These benefits are recorded as an expenditure in the year used. In certain isolated instances, employees are allowed to accrue vacation benefits, however, no accrued benefits existed at year end to be reported in the State of Net Position.

The District has an early retirement program where employees can elect to receive post employment benefits including incentive payment benefits and health, dental and life insurance benefits. (See Note 7 and 8).

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**L. PENSIONS**

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

**M. OTHER POST EMPLOYMENT BENEFITS (OPEB)**

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

**N. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then.

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

**O. CLAIMS AND JUDGMENTS**

Claims and judgments are recorded as liabilities if all of the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the District-wide financial statements as expense when the related liabilities are incurred. There were no significant claims or judgments at year end.

**P. INTERFUND TRANSACTIONS**

Interfund transactions that constitute reimbursement to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, are reported as transfers.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Q. EQUITY CLASSIFICATIONS**

**District-Wide Statements**

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

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and right-of-use leased assets, net of accumulated amortization and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt.
- b. Restricted - Consists of net position with constraints placed on use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted - All other net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

**Fund Statements**

Governmental fund equity is classified as fund balance. GASB #54 requires the fund balance amounts to be reported in the following categories:

- a. Nonspendable – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – Amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- c. Committed – Amounts than can be used only for the specified purposes determined by a formal action (resolution) of the School Board (the district's highest level of decision-making authority).
- d. Assigned – Amounts that are intended to be used for a particular purpose expressed by the School Board of other authorized committee or individual.
- e. Unassigned – All amounts not included in other spendable classifications.

It is the practice of the District to spend restricted amounts first, followed by committed, assigned and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the fund balance classifications could be used.

The District has a minimum fund balance policy to maintain a general fund balance of not less than 10% of unrestricted resources of the subsequent year's general fund operational expenditures.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 2 - Cash and Investments**

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 per depositor at each financial institution. Bank accounts and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principles losses may not be significant to individual organizations. This coverage has not been considered. At June 30, 2022, \$5,961,326 of the District's deposits are uninsured.

Fluctuating cash flows during the year due to tax collection, receipt of state aid and/or proceeds from borrowing may have resulted in the temporary balances exceeding insured amounts by substantially higher amounts than reported at the balance sheet date.

Investment of District funds is restricted by state statutes. Available deposits and investments are limited to:

1. Time deposits in any credit union, bank, savings bank, trust company or savings and loan association maturing in three years or less.
2. Bonds or securities of any county, city, drainage district, technical college district, district, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, or by the University of Wisconsin Hospitals and Clinics Authority.
3. Bonds or securities issued or guaranteed by the federal government.
4. The local government investment pool.
5. Any security maturing in seven years or less and having the highest or second highest rating category of a national recognized rating agency.
6. Securities or an open-end management investment company or investment trust, subject to various conditions and investment options.
7. Repurchase agreements with public depositories, with certain conditions.

At June 30, 2022 the District had the following investments:

<u>Investment Type</u>	<u>Valuation Measurement Method</u>	<u>Fair Value</u>	<u>Less Than 6 months</u>	<u>6 - 24 Months</u>
Wisconsin Investment Series Cooperative				
Cash Management Series	Amortized Cost	\$ 876,330	\$ 876,330	\$ -
Investment Series	Amortized Cost	661,149	661,149	-
Treasury Note	Cost	195,571	-	195,571
		<u>\$ 1,733,050</u>	<u>\$ 1,537,479</u>	<u>\$ 195,571</u>

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 2 - Cash and Investments (continued)**

PMA Financial Network is the administrator for the Wisconsin Investment Series Cooperative (WISC). The investment manager for WISC is PMA Financial Network. The WISC is not registered with the Securities and Exchange Commission but invests in funds in accordance with applicable Wisconsin statutes. The WISC values its invested funds using various fair value measurements as applicable, depending on the type of investment as shown in the table above. Measurement methods include cost, amortized cost and fair value hierarchy - Level 2.

*Custodial credit risk* for investments is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments. *Credit risk* for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. For investments, *interest rate risk* is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to greater risk.

**Note 3 - Capital Assets**

Capital asset activity for the year ended June 30, 2022 was as follows:

	<u>Balance 7/1/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2022</u>
Capital assets not being depreciated				
Sites	\$ 843,312	\$ -	\$ -	\$ 843,312
	<u>843,312</u>	<u>-</u>	<u>-</u>	<u>843,312</u>
Capital assets being depreciated				
Land improvements	510,256	-	-	510,256
Building	10,032,372	-	-	10,032,372
Equipment	3,375,261	214,593	(146,701)	3,443,153
Total Capital Assets Being Depreciated	<u>13,917,889</u>	<u>214,593</u>	<u>(146,701)</u>	<u>13,985,781</u>
Total Capital Assets	<u>14,761,201</u>	<u>214,593</u>	<u>(146,701)</u>	<u>14,829,093</u>
Less: Accumulated depreciation for				
Land improvements	194,288	19,138	-	213,426
Buildings	6,708,962	149,818	-	6,858,780
Equipment	2,819,606	182,524	(125,822)	2,876,308
Total Accumulated Depreciation	<u>9,722,856</u>	<u>351,480</u>	<u>(125,822)</u>	<u>9,948,514</u>
Net Capital Assets	<u>\$ 5,038,345</u>	<u>\$ (136,887)</u>	<u>\$ (20,879)</u>	<u>\$ 4,880,579</u>

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 3 - Capital Assets (continued)**

Depreciation expense was charged to functions as follows:

Instruction		
Regular	\$	136,730
Other		180,068
Support Services		
General administration services		16,783
Other		17,899
		<u>17,899</u>
	\$	<u>351,480</u>

**Note 4 – Right-of-Use Leased Assets**

The District has three recorded right-of-use leased assets for leased equipment. The related leases are discussed in the Leases subsection of Note 6. The right-of-use leased assets are amortized on a straight-line basis over the terms of the related leases.

	<u>Balance 7/1/2021</u>	<u>Additions</u>	<u>Balance 6/30/2022</u>
Right-of-Use leased assets subject to amortization			
Equipment	\$ 99,001	\$ -	\$ 99,001
Total Assets Being Amortized	<u>99,001</u>	<u>-</u>	<u>99,001</u>
Less: Accumulated Amortization for			
Equipment	<u>47,117</u>	<u>19,800</u>	<u>66,917</u>
Total Accumulated Amortization	<u>47,117</u>	<u>19,800</u>	<u>66,917</u>
Net Right-of-Use Leased Assets	<u>\$ 51,884</u>	<u>\$ (19,800)</u>	<u>\$ 32,084</u>

Amortization expense was charged to functions as follows:

Support Services		
Business administration services		\$ 19,800
		<u>19,800</u>

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 5 - Tax and Revenue Anticipation Notes Payable**

When needed, the district issues tax and revenue anticipation notes in advance of property tax collections. The fiscal year begins July 1, but tax collections from the municipalities are received beginning the following January. The District's short-term debt activity for the year ended June 30, 2022 is as follows:

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance 7/1/2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6/30/2022</u>
Tax and Revenue Anticipation Note	8/23/2021	1.00%	\$ 2,500,000	\$ -	\$ (2,500,000)	\$ -
Tax and Revenue Anticipation Note	8/23/2022	2.00%	-	5,000,000	(2,500,000)	2,500,000
			<u>\$ 2,500,000</u>	<u>\$ 5,000,000</u>	<u>\$ (5,000,000)</u>	<u>\$ 2,500,000</u>

Total short-term interest paid and expended during the year was \$51,111 and \$67,001, respectively.

**Note 6 - Long-Term Obligations**

A. Long-term liability activity for the year ended June 30, 2022 was as follows:

	<u>Balance 7/1/2021</u>	<u>Reductions</u>	<u>Balance 6/30/2022</u>	<u>Due Within One Year</u>
General Obligation Debt:				
Bonds and notes payable	\$ 1,200,000	\$ 140,000	\$ 1,060,000	\$ 140,000
State Trust Fund loan payable	109,063	53,792	55,271	55,271
State Trust Fund loan payable	<u>305,309</u>	<u>30,363</u>	<u>274,946</u>	<u>31,199</u>
<b>Total Bonds and Notes Payable</b>	<u>1,614,372</u>	<u>224,155</u>	<u>1,390,217</u>	<u>226,470</u>
Other Liabilities:				
Lease Liability	<u>51,652</u>	<u>19,989</u>	<u>31,663</u>	<u>20,525</u>
<b>Total Other Liabilities</b>	<u>51,652</u>	<u>19,989</u>	<u>31,663</u>	<u>20,525</u>
Total Long-term Liabilities	<u>\$ 1,666,024</u>	<u>\$ 244,144</u>	<u>\$ 1,421,880</u>	<u>\$ 246,995</u>

Total long-term interest paid and expended during the year was \$40,330 and \$38,838, respectively.



**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 6 - Long-Term Obligations (continued)**

B. All general obligation bonds and notes payable are backed by the full faith and credit of the district. Bonds in the governmental funds will be retired by future property tax levies.

C. Bonds and notes payable is comprised of the following individual issues:

<u>Type</u>	<u>Original Indebtedness</u>	<u>Government Activities</u>			<u>Balance 6/30/2022</u>
		<u>Issue Date</u>	<u>Interest Rates</u>	<u>Date of Maturity</u>	
Bond payable	\$ 1,570,000	2016	1.2-2.65%	3/1/2029	\$ 1,060,000
State trust fund loan	\$ 500,000	2013	2.75%	3/15/2023	55,271
State trust fund loan	\$ 338,584	2020	2.75%	3/15/2030	274,946
<b>Total bonds and notes</b>					<b><u>\$ 1,390,217</u></b>

D. Debt service requirements to maturity on general obligation debt are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 226,470	\$ 34,438	\$ 260,908
2024	177,038	29,419	206,457
2025	177,937	25,475	203,412
2026	183,843	21,161	205,004
2027	189,774	16,706	206,480
Thereafter	435,155	19,107	454,262
<b>Totals</b>	<b><u>\$ 1,390,217</u></b>	<b><u>\$ 146,306</u></b>	<b><u>\$ 1,536,523</u></b>

E. The 2021 equalized valuation of the District as certified by the Wisconsin Department of Revenue is \$2,026,748,228. The legal debt limit and margin of indebtedness as of June 30, 2022 in accordance with Section 67.03(1)(b) of the Wisconsin Statutes follows:

Debt limit (5% of \$2,026,748,228)	\$ 101,337,411
Deduct: Long-term debt applicable to debt margin	<u>1,390,217</u>
Margin of indebtedness	<u>\$ 99,947,194</u>

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 6 - Long-Term Obligations (continued)**

F. The District has agreements to lease two automobiles and a copier. The leases qualify as other than short-term lease under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments at the date of their inception. There are no variable payment components of the leases. The value of the right-of-use leased assets relating to the lease liability are discussed in Note 4. The terms of the lease agreements are as follows:

<u>Leased Equipment</u>	<u>Term</u>		<u>Payment</u>	<u>Frequency</u>	<u>Discount Rate</u>
	<u>Beginning</u>	<u>End</u>			
Automobile 1	12/1/2019	11/30/2024	\$ 385	Monthly	2.65%
Automobile 2	11/1/2019	10/31/2024	\$ 346	Monthly	2.65%
Copier	8/1/2018	7/1/2023	\$ 1,029	Monthly	2.65%

**Note 7 – Pension Plan, Wisconsin Retirement System**

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

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>

Additionally, EFT issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

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

**Benefits provided.** Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service. Final average earnings are the average of the participant’s three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee’s contributions plus matching employer’s contributions, with interest, if that benefit is higher than the formula benefit.

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.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**Note 7 – Pension Plan, Wisconsin Retirement System (continued)**

**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 (%)
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
2021	5.1	13.0

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

During the reporting period, the WRS recognized \$551,257 in contributions from the District.

Contribution rates as of December 31, 2021 are:

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

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**Note 7 – Pension Plan, Wisconsin Retirement System (continued)**

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.*** At June 30, 2022, the Glendale - River Hills School District reported a liability (asset) of \$(3,989,032) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2021, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Glendale - River Hills School District's proportion of the net pension liability was based on the Glendale - River Hills School District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the Glendale - River Hills School District's proportion was .0495%, which was a decrease of .0002% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the Glendale - River Hills School District recognized pension expense (revenue) of \$(377,852).

At June 30, 2022, the Glendale - River Hills School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$6,444,078	\$ 464,687
Changes in assumptions	744,216	-
Net differences between projected and actual earnings on pension plan investments	-	8,923,796
Changes in proportion and differences between employer contributions and proportionate share of contributions	8,762	11,327
Employer contributions subsequent to the measurement date	336,572	-
<b>Total</b>	<b>\$7,533,628</b>	<b>\$9,399,810</b>

\$336,572 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense (revenue) as follows:

<b>Year ended June 30:</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2022	\$ (189,824)
2023	\$(1,083,686)
2024	\$ (474,459)
2025	\$ (454,785)

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 7 – Pension Plan, Wisconsin Retirement System (continued)**

**Actuarial assumptions.** The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2020
Measurement Date of Net Pension Liability (Asset)	December 31, 2021
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Post-retirement Adjustments*	1.7%

\* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% 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 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, price inflation, mortality and separation rates. The Total Pension Liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the December 31, 2020 actuarial valuation.

**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:

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**Note 7 – Pension Plan, Wisconsin Retirement System (continued)**

**Asset Allocation Targets and Expected Returns<sup>1</sup>  
As of December 31, 2021**

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return % <sup>2</sup>
Global Equities	52	6.8	4.2
Fixed Income	25	4.3	1.8
Inflation Sensitive Assets	19	2.7	0.2
Real Estate	7	5.6	3
Private Equity/Debt	12	9.7	7
Total Core Fund <sup>3</sup>	115	6.6	4
Variable Fund Asset Class			
U.S. Equities	70	6.3	3.7
International Equities	30	7.2	4.6
Total Variable Fund	100	6.8	4.2

<sup>1</sup>Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations

<sup>2</sup>New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

<sup>3</sup>The investment policy used for the Core Fund involves reduced equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 15% policy leverage is used, subject to an allowable range of up to 20%.

**Single Discount rate.** A single discount rate of 6.80% was used to measure the Total Pension Liability, as opposed to a discount rate of 7.0% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 1.84%. (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, 2021. 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 6.80% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**Note 7 – Pension Plan, Wisconsin Retirement System (continued)**

**Sensitivity of the Glendale-River Hills School District's proportionate share of the net pension liability (asset) to changes in the discount rate.** The following presents Glendale-River Hills School District's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80 percent, as well as what Glendale-River Hills School District's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	<b>1% Decrease to Discount Rate (5.80%)</b>	<b>Current Discount Rate (6.80%)</b>	<b>1% Increase to Discount Rate (7.80%)</b>
Glendale – River Hill School District's proportionate share of the Net Pension Liability (Asset)	\$2,830,501	\$(3,989,032)	\$(8,897,828)

**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 8 – Supplemental Pension Plan**

**Plan Description.** The District provides a defined benefit supplemental pension plan to eligible administrators and teachers.

There are 22 active and 16 retired employees in the plan as of the June 30, 2021, the most recent actuarial valuation. The District will provide eligible Administrators, Coordinators and Teachers with 403(b) contributions upon retirement. The annual amounts and duration vary based upon classification per the plan. In addition, certain Administrative Assistants and Coordinators may also choose to waive coverage and receive a cash benefit in lieu of participation in the District's medical plan, given that they provide proof of other medical insurance coverage.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** At June 30, 2022, the Glendale-River Hills School District reported a liability of \$987,239 for its net supplemental pension liability. The net supplemental pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated June 30, 2021, then rolled forward to June 30, 2022. All assumptions and methods remained unchanged from the valuation performed as of the measurement date.

**Funding Policy.** Payments under the plan are made on a pay-as-you go basis. There are no invested plan assets accumulated for payment of future benefits. The general fund is used for funding of all pension/retirement benefits.

For the year ended June 30, 2022, the Glendale-River Hills School District recognized pension expense of \$53,931. The pension expense is made up of certain changes to the total pension liability and amortization of Deferred Outflows (Inflows).

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 8 – Supplemental Pension Benefits (continued)**

At June 30, 2022, the Glendale – River Hills School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$158,158	\$22,456
Changes in assumptions	54,305	21,796
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-
Employer contributions subsequent to the measurement date	232,962	-
<b>Total</b>	<b>\$445,425</b>	<b>\$44,252</b>

\$232,962 reported as deferred outflows related to pension resulting from the supplemental pension plan contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability 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:

<b>Year Ended June 30:</b>	<b>Net Outflows/(Inflows) of Resources</b>
2022	\$ 27,747
2023	\$ 27,747
2024	\$ 27,746
2025	\$ 38,278
2026	\$ 39,708
Thereafter	\$ 6,985

**Actuarial assumptions.** The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	June 30, 2021
Measurement Date:	June 30, 2021
Reporting Date:	June 30, 2022
Actuarial Cost Method:	Entry Age Normal (level percent of salary)
Discount Rate:	2.25% (based upon all years of projected payments discounted at a municipal bond rate of 2.25%) Implicit in this rate is an assumed rate of inflation of 2.00%
Municipal Bond Rate Source:	Bond Buyer 20-Bond GO Index
Actuarial Assumptions	Based on an experience study conducted in 2018 using Wisconsin Retirement System (WRS) experience from 2015-2017
Mortality Assumptions:	Wisconsin 2018 Mortality Table adjusted for future mortality improvements using the MP-2018 fully generated improvement scale (multiplied 60%)



**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**Note 8 – Supplemental Pension Benefits (continued)**

**Single Discount rate.** A single discount rate of 2.25% was used to measure the total supplemental pension liability.

*Sensitivity of the* Glendale-River Hills School District's *net supplemental pension liability to changes in the discount rate.* The following presents the Glendale-River Hills School District's net pension liability calculated using the discount rate of 2.25%, as well as what the Glendale-River Hills School District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25%) or 1-percentage-point higher (3.25%) than the current rate:

	<b>1% Decrease to Discount Rate (1.25%)</b>	<b>Current Discount Rate (2.25%)</b>	<b>1% Increase to Discount Rate (3.25%)</b>
Glendale-River Hills School District's net pension liability (asset)	\$1,029,077	\$987,239	\$947,712

**Note 9 - Other Post Employment Benefits Other Than Pension Benefits**

**1. Post-Retirement Health Insurance Plan**

**Plan Description.** The District operates the Glendale - River Hills School District Post Employment Benefit Plan, a single-employer retiree benefit plan that provides post employment health, dental and life insurance benefits to eligible employees and their dependents. There are 172 active and 27 retired members in the plan as of June 30, 2021, the most recent actuarial valuation date. Benefits and eligibility are established and amended by the governing body.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.** At June 30, 2022, the Glendale - River Hills School District reported a liability of \$3,569,842 for its net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated June 30, 2021 then rolled forward to June 30, 2022. All assumptions and methods remained unchanged from the valuation performed as of the measurement date.

**Funding Policy.** The District has no invested plan assets accumulated for payment of future benefits. The employer makes all contributions on a pay-as-you-go basis.

For the year ended June 30, 2022, the Glendale – River Hills School District recognized an OPEB expense of \$358,548. The OPEB expense is made up of certain changes in the total OPEB liability and amortization of deferred outflows (inflows).

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**Note 9 - Other Post Employment Benefits Other Than Pension Benefits (continued)**

**1. Post-Retirement Health Insurance Plan (continued)**

At June 30, 2022, the Glendale - River Hills School District reported deferred outflows of resources and deferred inflows of resources related to other post employment benefits from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 44,611	\$301,877
Changes in assumptions	251,545	135,687
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-
Employer contributions subsequent to the measurement date	206,093	-
<b>Total</b>	<b>\$502,249</b>	<b>\$437,564</b>

\$206,093 reported as deferred outflows related to pension resulting from the other post employment benefit plan contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability 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:

<b>Year Ended June 30:</b>	<b>Net Outflows/(Inflows) of Resources</b>
2022	\$(20,181)
2023	\$(20,181)
2024	\$(20,181)
2025	\$(20,181)
2026	\$(20,181)
Thereafter	\$(40,503)

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**Note 9 - Other Post Employment Benefits Other Than Pension Benefits (continued)**

**1. Post-Retirement Health Insurance Plan (continued)**

**Actuarial assumptions.** The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	June 30, 2021
Measurement Date:	June 30, 2021
Reporting Date:	June 30, 2022
Actuarial Cost Method:	Entry Age Normal (level percent of salary)
Health Care Trend:	6.50% decreasing by 0.10% per year down to 5.00%, and level thereafter
Discount Rate:	2.25% (based upon all years of projected payments discounted at a municipal bond rate of 2.25%). Implicit in this rate is an assumed rate of inflation of 2.00%.
Municipal Bond Rate Source:	Bond Buyer 20-Bond GO Index
Actuarial Assumptions:	Based on an experience study conducted in 2018 using Wisconsin Retirement System (WRS) experience from 2015-17.
Mortality Assumptions:	Wisconsin 2018 Mortality Table adjusted for future mortality improvements using the MP-2018 fully generated improvement scale (multiplied 60%)

**Single Discount rate.** A single discount rate of 2.25% was used to measure the total OPEB liability.

**Sensitivity of the Glendale - River Hills School District's OPEB liability to changes in the discount rate.**

The following presents the Glendale - River Hills School District's OPEB liability calculated using the discount rate of 2.25%, as well as what the Glendale - River Hills School District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25%) or 1-percentage-point higher (3.25%) than the current rate:

	<b>1% Decrease to Discount Rate (1.25%)</b>	<b>Current Discount Rate (2.25%)</b>	<b>1% Increase to Discount Rate (3.25%)</b>
Glendale-River Hills School District's total OPEB liability	\$3,767,585	\$3,569,842	\$3,378,667

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**Note 9 - Other Post Employment Benefits Other Than Pension Benefits (continued)**

**1. Post-Retirement Health Insurance Plan (continued)**

**Sensitivity of the Glendale - River Hills School District's OPEB liability to changes in the healthcare trend rates.** The following presents the Glendale - River Hills School District's OPEB liability calculated using the current trend rates, as well as what the Glendale - River Hills School District's net OPEB liability would be if it were calculated using trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<b>1% Decrease (5.5% decreasing to 4.0%)</b>	<b>Healthcare Cost Trend Rates (6.5% decreasing to 5.0%)</b>	<b>1% Increase (7.5% decreasing to 6.0%)</b>
Glendale-River Hills School District's total OPEB liability	\$3,281,770	\$3,569,842	\$3,903,776

**2. Post – Retirement Life Insurance Plan**

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

**OPEB Plan Fiduciary Net Position.** ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can also be found using the link above.

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

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

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

Contribution rates as of December 31, 2021, are:

<b>Coverage Type</b>	<b>Employer Contributions</b>
50% Post Retirement Coverage	40% Member Contribution
25% Post Retirement Coverage	20% Member Contribution

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**Note 9 - Other Post Employment Benefits Other Than Pension Benefits (continued)**

**1. Post-Retirement Life Insurance Plan (continued)**

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2021 are as listed below:

<b>Life Insurance Member Contribution Rates* For the year ended December 31, 2021</b>		
<b>Attained Age</b>	<b>Basic</b>	<b>Supplemental</b>
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57
*Disabled members under age 70 receive a waiver-of-premium benefit.		

During the reporting period, the LRLIF recognized \$2,539 in contributions from the employer.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs.** At June 30, 2022, the Glendale - River Hills School District reported a liability (asset) of \$733,329 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2021 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Glendale - River Hills School District's proportion of the net OPEB liability (asset) was based on the Glendale - River Hills School District's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2021, the Glendale - River Hills School District's proportion was .124% which was a decrease of .019% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the Glendale - River Hills School District's recognized OPEB expense (revenue) of \$79,310.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**Note 9 - Other Post Employment Benefits Other Than Pension Benefits (continued)**

**2. Post-Retirement Life Insurance Plan (continued)**

At June 30, 2022, the Glendale - River Hills School District's reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	<b>Deferred outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 37,303
Net differences between projected and actual earnings on OPEB plan investments	9,541	-
Changes in assumptions	221,564	35,545
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,658	75,272
Employer contributions subsequent to the measurement date	1,787	-
<b>Total</b>	<b>\$ 234,550</b>	<b>\$ 148,120</b>

\$1,787 reported as deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year ended June 30:</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2022	\$ 23,364
2023	\$ 22,255
2024	\$ 18,604
2025	\$ 26,192
2026	\$ 4,694
2027	\$(10,466)

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 9 - Other Post Employment Benefits Other Than Pension Benefits (continued)**

**2. Post-Retirement Life Insurance Plan (continued)**

**Actuarial assumptions.** The total OPEB liability in the January 1, 2021, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2021
Measurement Date of Net OPEB Liability (Asset):	December 31, 2021
Experience Study:	January 1, 2018 – December 31, 2020, Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.06%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.17%
Salary Increases	
Inflation:	3.00%
Senior/Merit:	0.1% - 5.6%
Mortality:	2020 WRS Experience Morality Table

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the total OPEB liability changed from the prior year, including the price inflation, mortality and separation rates. The total OPEB liability for December 31, 2021, is based upon a roll-forward of the liability calculated from the January 1, 2021, actuarial valuation.

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

**State OPEB Life Insurance**  
**Asset Allocation Targets and Expected Returns**  
**As of December 31, 2021**

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
US Intermediate Credit Bonds	Bloomberg US Interm Credit	45.00%	1.68%
US Long Credit Bonds	Bloomberg US Long Credit	5.00%	1.82%
US Mortgages	Bloomberg US MBS	50.00%	1.94%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**Note 9 - Other Post Employment Benefits Other Than Pension Benefits (continued)**

**2. Post-Retirement Life Insurance Plan (continued)**

The long-term expected rate of return remained unchanged from the prior year at 4.25%. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The expected inflation rate increased from 2.20% as of December 21, 2020 to 2.30% as of December 31, 2021.

**Single Discount Rate** A single discount rate of 2.17% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.25% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.12% as of December 31, 2020 to 2.06% as of December 31, 2021. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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

**Sensitivity of the Glendale - River Hills School District's proportionate share of the net OPEB liability (asset) to changes in the discount rate.** The following presents the Glendale-River Hills School District's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 2.17 percent, as well as what the Glendale-River Hills School District's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (1.17 percent) or 1-percentage-point higher (3.17 percent) than the current rate:

	<b>1% Decrease to Discount Rate (1.17%)</b>	<b>Current Discount Rate (2.17%)</b>	<b>1% Increase to Discount Rate (3.17%)</b>
Glendale - River Hills School District's proportionate share of the net OPEB liability (asset)	\$994,863	\$733,329	\$536,535



**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 10 - Governmental Activities Net Position**

Governmental activities net position reported on the Government-Wide Statement of Net Position at June 30, 2022 includes the following:

<b>Net investment in capital assets</b>	
Capital assets, net of accumulated depreciation	\$ 4,880,579
Right-of-use leased assets, net of accumulated amortization	32,084
Less: related long-term debt outstanding	<u>1,421,880</u>
<b>Total Net Investment in Capital Assets</b>	<u>3,490,783</u>
<b>Restricted</b>	
Net WRS position	2,122,850
Unspent Get Kids Ahead Grant	22,192
Unspent Common School Fund	41,220
Food Service Fund	168,394
Gift Fund	50,289
Community Service Fund	445,186
Debt Service	<u>31,226</u>
<b>Total Restricted</b>	<u>2,881,357</u>
<b>Unrestricted</b>	<u>(470,453)</u>
<b>Total Governmental Activities Net Position</b>	<u><u>\$ 5,901,687</u></u>

**Note 11 - Governmental Fund Balances**

Governmental fund balances reported on the fund financial statements at June 30, 2022 include the following:

<b>Restricted</b>	
General Fund - Unspent Get Kids Ahead Grant	\$ 22,192
General Fund - Unspent Common School Fund	41,220
Food Service	168,394
Gift Fund	50,289
Community Service	445,186
Debt Service	<u>31,226</u>
<b>Total Restricted Fund Balance</b>	<u>758,507</u>
<b>Unassigned</b>	<u>4,278,771</u>
<b>Total Governmental Fund Balances</b>	<u><u>\$ 5,037,278</u></u>

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 12 - Explanation of Certain Differences Between the Governmental Fund Balance Sheet and The Statement of Net Position**

Right-of-use leased assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.

Right-of-use leased assets, net of accumulated amortization	<u><u>\$ 32,084</u></u>
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Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds but are reported in the statement of net position.

Capital assets, net of accumulated depreciation	<u><u>\$ 4,880,579</u></u>
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The District's proportionate share of net pension assets as well as pension-related deferred outflows and deferred inflows of resources that are recognized in the government-wide statements but not in the fund statements include:

Net WRS pension asset (liability)	\$ 3,989,032
Total supplemental pension liability	(987,239)
Total OPEB liability	(3,569,842)
Total post employment life pension liability	(733,329)
Deferred outflows of resources from WRS pension	7,533,628
Deferred outflows of resources from supplemental pension	445,425
Deferred outflows of resources from post employment life pension	234,550
Deferred outflows of resources from OPEB	502,249
Deferred inflows of resources from WRS pension	(9,399,810)
Deferred inflows of resources from supplemental pension	(44,252)
Deferred inflows of resources from OPEB	(437,564)
Deferred inflows of resources from post employment life pension	<u>(148,120)</u>
<b>Combined Adjustment</b>	<u><u>\$ (2,615,272)</u></u>

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position:

General obligation bonds and notes payable	\$ (1,390,217)
Lease liability	(31,663)
Accrued interest on long-term obligations	<u>(11,102)</u>
<b>Combined Adjustment</b>	<u><u>\$ (1,432,982)</u></u>

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 13 - Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Statement of Activities**

Capital related difference includes (1) the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and (2) the difference between recording an expenditure for the purchase of capital items in the governmental fund statements, and capitalization and recording depreciation expense on those items as recorded in the statement of activities. This adjustment is a combination of the following items:

Capital expenditures	\$ 214,593
Depreciation expense	(351,480)
Loss on disposal of fixed assets	<u>(20,879)</u>
<b>Combined Adjustment</b>	<b><u><u>\$ (157,766)</u></u></b>

Long-term debt transaction differences occur because long-term debt proceeds are recorded as revenues and principal payments are recorded as expenditures in the governmental fund statements. In the statement of activities, long-term debt proceeds are recorded as a liability and principal payments are recorded as a reduction of liabilities. This adjustment is as follows:

Principal payments on long-term debt	<u><u>\$ 244,144</u></u>
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Right-of-use leased assets related difference includes the difference between recording an expenditure in the amount equal to the initial measurement of the related lease liability in the governmental fund statements, and capitalization and recoding amortization expense on those items as recorded in the statement of activities. This adjustment is a combination of the following items:

Amortization Expense	<u><u>\$ (19,800)</u></u>
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Differences between pension system contributions recognized occur because pension expense in the statement of activities is adjusted to account for the net pension asset, deferred outflows and deferred inflows). The adjustment is a combination of the following items:

Employer WRS contributions	\$ 551,257
WRS pension revenue	377,852
Post employment life paid	2,539
Post employment life expense	(79,310)
Supplemental pension benefits paid	205,145
Supplemental pension expense	(53,931)
OPEB benefits paid	224,202
OPEB expense	<u>(358,548)</u>
<b>Combined Adjustment</b>	<b><u><u>\$ 869,206</u></u></b>

Under the modified accrual basis of accounting used in the governmental funds, expenditures are recognized for transactions that are normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported when the liability is incurred. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This adjustment is a combination of the following items:

Accrued interest	<u><u>\$ 1,494</u></u>
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**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**Note 14 - Risk Management**

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

**Note 15 - Commitments and Contingencies**

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

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

**Note 16 - Limitation of School District Revenues**

Wisconsin Statutes limit the amount of revenues that school districts may derive from general school aids and property taxes. The annual revenue increase from these sources is limited to an allowable per member increase which is determined by the legislature.

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

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

**Note 17 – Interfund Transfers**

Generally, transfers use unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and Wisconsin Department of Public Instruction directives.

For the statement of activities, interfund transfers within the governmental activities are netted and eliminated.

<b>Fund Transferred To</b>	<b>Fund Transferred From</b>	<b>Amount</b>
Special Education	General Fund	<u>\$ 1,805,849</u>
Total - Fund Financial Statements		1,805,849
Less: Eliminations		<u>(1,805,849)</u>
Total Transfers - Government-Wide Statement of Activities		<u><u>\$ -</u></u>

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 18 - Subsequent Events**

Management has evaluated subsequent events for possible recognition or disclosure through the date the financial statements were available to be distributed December 14, 2022.

**Note 19 – Change in Accounting Principle**

The District implemented GASB #87, *Leases*, as of July 1, 2021. As a result, beginning of year net position has been restated as follows:

Net position as previously reported on July 1, 2021	\$ 4,274,307
Beginning Right-of-Use Assets, net of accumulated amortization	51,884
Beginning Lease Liability	<u>(51,652)</u>
Net position, as restated	<u>\$ 4,274,539</u>

**Note 20 - Recently Issued Accounting Standards**

The Governmental Accounting Standards Board (GASB) recently approved the following statements which were not implemented for these financial statements:

The GASB issued Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements in March 2020. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

The GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements in May 2020. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 20 - Recently Issued Accounting Standards (continued)**

The GASB issued Statement No. 100, Accounting Changes and Error Corrections – An Amendment of GASB statement No. 62. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting — understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

The GASB issued Statement No. 101, Compensated Absences. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences. This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 20 - Recently Issued Accounting Standards (continued)**

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

The effect these standards may have on future financial statements is not determinable at this time.

**REQUIRED SUPPLEMENTAL INFORMATION**



**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
REQUIRED SUPPLEMENTAL INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
For the Year Ended June 30, 2022**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		<b>with Final Budget</b>
<b>Revenues</b>				
Local	\$ 13,307,164	\$ 13,427,373	\$ 13,279,173	\$ (148,200)
Interdistrict	893,000	1,009,255	1,004,090	(5,165)
Intermediate	-	-	2,014	2,014
State	1,531,174	2,041,174	1,594,699	(446,475)
Federal	170,392	685,571	677,031	(8,540)
Other sources	80,828	77,422	114,623	37,201
<b>Total Revenues</b>	<u>15,982,558</u>	<u>17,240,795</u>	<u>16,671,630</u>	<u>(569,165)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Regular	6,887,421	6,935,981	6,451,947	484,034
Physical	474,928	474,928	514,516	(39,588)
Vocational	89,057	89,057	88,960	97
Other	142,975	142,975	187,118	(44,143)
<b>Total Instruction</b>	<u>7,594,381</u>	<u>7,642,941</u>	<u>7,242,541</u>	<u>400,400</u>
<b>Support Services</b>				
Pupil services	640,336	578,255	414,593	163,662
Instructional support services	791,370	733,996	623,933	110,063
General administrative services	444,779	444,779	440,967	3,812
Building administrative services	801,936	801,936	885,659	(83,723)
Business administrative services	282,388	282,388	394,278	(111,890)
Operations and maintenance	1,906,095	2,030,199	2,206,267	(176,068)
Central services	484,806	474,806	297,474	177,332
Insurance and judgments	133,780	133,780	102,665	31,115
Other support services	764,552	519,197	443,314	75,883
Debt service	47,071	-	100,716	(100,716)
<b>Total Support Services</b>	<u>6,297,113</u>	<u>5,999,336</u>	<u>5,909,866</u>	<u>89,470</u>
<b>Non-Program</b>				
General tuition payments	711,546	1,225,000	1,141,324	83,676
Other non-program services	6,000	-	12,623	(12,623)
<b>Total Non-Program</b>	<u>717,546</u>	<u>1,225,000</u>	<u>1,153,947</u>	<u>71,053</u>
<b>Total Expenditures</b>	<u>14,609,040</u>	<u>14,867,277</u>	<u>14,306,354</u>	<u>560,923</u>
Excess of revenues over expenditures	<u>1,373,518</u>	<u>2,373,518</u>	<u>2,365,276</u>	<u>(8,242)</u>
<b>Other Financing Uses:</b>				
Transfers to other funds	<u>(2,173,518)</u>	<u>(2,373,518)</u>	<u>(1,805,849)</u>	<u>567,669</u>
<b>Total Other Financing Uses</b>	<u>(2,173,518)</u>	<u>(2,373,518)</u>	<u>(1,805,849)</u>	<u>567,669</u>
<b>NET CHANGE IN FUND BALANCES</b>	(800,000)	-	559,427	559,427
Fund Balances, beginning of year	<u>3,782,756</u>	<u>3,782,756</u>	<u>3,782,756</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 2,982,756</u>	<u>\$ 3,782,756</u>	<u>\$ 4,342,183</u>	<u>\$ 559,427</u>

See accompanying notes to the financial statements.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
REQUIRED SUPPLEMENTAL INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL EDUCATION FUND  
For the Year Ended June 30, 2022**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		<b>with Final Budget</b>
<b>Revenues</b>				
Interdistrict	\$ -	\$ -	\$ 19,034	\$ 19,034
Intermediate	2,000	2,000	-	(2,000)
State	651,126	651,126	798,378	147,252
Federal	352,779	352,779	521,909	169,130
<b>Total Revenues</b>	<b>1,005,905</b>	<b>1,005,905</b>	<b>1,339,321</b>	<b>333,416</b>
<b>Expenditures</b>				
<b>Instruction</b>				
Special education	2,001,201	2,001,201	2,157,858	(156,657)
<b>Total Instruction</b>	<b>2,001,201</b>	<b>2,001,201</b>	<b>2,157,858</b>	<b>(156,657)</b>
<b>Support Services</b>				
Pupil services	831,706	831,706	580,918	250,788
Instructional support services	116,981	116,981	79,786	37,195
Operations and maintenance	163,678	163,678	264,634	(100,956)
<b>Total Support Services</b>	<b>1,112,365</b>	<b>1,112,365</b>	<b>925,338</b>	<b>187,027</b>
<b>Non-Program</b>				
General tuition payments	65,857	65,857	61,974	3,883
<b>Total Non-Program</b>	<b>65,857</b>	<b>65,857</b>	<b>61,974</b>	<b>3,883</b>
<b>Total Expenditures</b>	<b>3,179,423</b>	<b>3,179,423</b>	<b>3,145,170</b>	<b>34,253</b>
Deficiency of revenues over expenditures	(2,173,518)	(2,173,518)	(1,805,849)	367,669
<b>Other Financing Sources</b>				
Transfers from general fund	2,173,518	2,173,518	1,805,849	(367,669)
<b>Total Other Financing Sources</b>	<b>2,173,518</b>	<b>2,173,518</b>	<b>1,805,849</b>	<b>(367,669)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balances, beginning of year	-	-	-	-
<b>FUND BALANCES, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See accompanying notes to the financial statements.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)  
WISCONSIN RETIREMENT SYSTEM  
Last 10 Fiscal Years\* (built prospectively)**

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Glendale-River Hills School District's proportion of the net pension liability (asset)	0.049%	0.051%	0.052%	0.053%	0.053%	0.053%	0.051%
Glendale-River Hills School District's proportionate share of the net pension liability (asset)	(\$3,989,032)	\$(3,215,762)	\$(1,685,953)	\$ 1,901,582	\$(1,583,859)	\$ 431,192	\$ 828,602
Glendale-River Hills School District's covered-employee payroll	\$ 8,166,734	\$ 8,537,778	\$ 8,024,696	\$ 8,198,890	\$ 7,940,489	\$ 7,739,921	\$ 7,503,822
Glendale- River Hills School District's proportionate share of the net pension liability (asset) as a percentage of the covered-employee payroll	(48.84)%	(37.67)%	(21.01)%	23.19%	(19.95)%	5.57%	11.04%
Plan fiduciary net position as a percentage of the total pension liability (asset)	106.02%	105.26%	102.96%	96.45%	102.93%	99.12%	98.20%

\*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the last year

See Note 7 and Notes to Required Supplementary Information

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
WISCONSIN RETIREMENT SYSTEM  
Last 10 Fiscal Years\* (built prospectively)**

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Contractually required contributions	\$ 551,257	\$ 576,299	\$ 525,618	\$ 549,323	\$ 539,954	\$ 510,992	\$ 512,040
Contributions in relation to the contractually required contributions	\$ 551,257	\$ 576,299	\$ 525,618	\$ 549,323	\$ 539,954	\$ 510,992	\$ 512,040
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Glendale-River Hills School District's covered-employee payroll	\$ 8,166,734	\$ 8,537,778	\$ 8,024,696	\$ 8,198,890	\$ 7,940,489	\$ 7,739,921	\$ 7,503,822
Contributions as a percentage of covered-employee payroll	6.8%	6.8%	6.6%	6.7%	6.8%	6.6%	6.8%

\*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the last year

See Note 7 and Notes to Required Supplementary Information

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE TOTAL PENSION LIABILITY AND RELATED RATIOS  
SUPPLEMENTAL PENSION PLAN  
Last 10 Fiscal Years (built prospectively)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total Pension Liability, beginning	\$ 968,088	\$ 1,014,870	\$ 1,060,624	\$1,174,924	\$ 1,577,049	\$1,616,339
Service Cost	34,143	28,201	27,277	28,286	82,598	85,684
Interest Cost	19,858	33,143	36,006	38,647	46,022	47,193
Changes in benefit terms	-	-	84,432	-	(277,939)	-
Differences between expected and actual experience	178,606	-	14,912	-	(59,886)	-
Changes of assumptions or other input	(8,311)	55,908	19,800	(11,492)	(24,331)	-
Benefit Payments	<u>(205,145)</u>	<u>(164,034)</u>	<u>(228,181)</u>	<u>(169,741)</u>	<u>(168,589)</u>	<u>(172,167)</u>
Total Pension Liability, ending	<u>\$ 987,239</u>	<u>\$ 968,088</u>	<u>\$ 1,014,870</u>	<u>\$ 1,060,624</u>	<u>\$ 1,174,924</u>	<u>\$1,577,049</u>
Covered Payroll	\$ 1,746,768	\$ 2,377,350	\$ 2,377,350	\$2,575,656	\$ 2,575,656	\$ 5,832,778
Total pension liability as a percentage of covered payroll	56.52%	40.72%	42.69%	41.18%	45.62%	27.04%

See Note 8 and Notes to Required Supplementary Information

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS  
OTHER POSTEMPLOYMENT BENEFITS PLAN  
Last 10 Fiscal Years (built prospectively)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability, beginning	\$ 3,501,977	\$ 3,233,934	\$ 3,394,560	\$ 3,279,619	\$ 3,194,991
Service Cost	281,184	231,344	249,994	258,829	258,829
Interest Cost	79,436	111,945	126,887	115,552	111,357
Changes in benefit terms	-	-	65,751	-	-
Differences between expected and actual experience	48,667	-	(431,255)	-	-
Changes of assumptions or other input	(117,220)	227,085	99,824	(44,371)	-
Benefit Payments	<u>(224,202)</u>	<u>(302,331)</u>	<u>(271,827)</u>	<u>(215,069)</u>	<u>(285,558)</u>
Total OPEB Liability, ending	<u>\$ 3,569,842</u>	<u>\$ 3,501,977</u>	<u>\$ 3,233,934</u>	<u>\$ 3,394,560</u>	<u>\$3,279,619</u>
Covered Payroll	\$ 8,210,265	\$ 6,746,293	\$ 6,746,293	\$ 7,341,518	\$ 7,341,518
Total pension liability as a percentage of covered payroll	43.48%	51.91%	47.94%	46.24%	44.60%

See Note 9 and Notes to Required Supplementary Information

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY (ASSET)  
LOCAL RETIREE LIFE INSURANCE FUND  
Last 10 Fiscal Years\* (built prospectively)**

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Glendale-River Hills School District's proportion of the net OPEB liability (asset)	0.1241%	0.1443%	0.1453%	0.1487%	0.1488%
Glendale-River Hills School District's proportionate share of the net OPEB liability (asset)	\$ 733,329	\$ 788,507	\$ 618,614	\$ 383,817	\$ 447,824
Glendale-River Hills School District's covered-employee payroll	\$ 7,997,000	\$ 7,486,000	\$7,625,000	\$ 7,675,000	\$6,259,526
Glendale-River Hills School District's net OPEB liability (asset) as a percentage of covered-employee payroll	9.17%	10.53%	8.11%	5.00%	7.15%
Plan fiduciary net position as a percentage of the total pension liability (asset)	29.57%	31.36%	37.58%	48.69%	44.81%

\*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

See Note 9 and Notes to Required Supplementary Information

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
LOCAL RETIREE LIFE INSURANCE FUND  
Last 10 Fiscal Years\* (built prospectively)**

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Contractually required contributions	\$ 2,539	\$ 2,858	\$ 2,626	\$ 2,865	\$ 2,826
Contributions in relation to the contractually required contributions	\$ (2,539)	\$ (2,858)	\$ (2,626)	\$ (2,865)	\$ (2,826)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Glendale-River Hills School District's covered-employee payroll	\$ 7,997,000	\$ 7,486,000	\$ 7,625,000	\$ 7,675,000	\$ 6,259,526
Contributions as a percentage of covered-employee payroll	0.032%	0.038%	0.034%	0.037%	0.045%

\*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

See Note 9 and Notes to Required Supplementary Information



**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION  
June 30, 2022**

**Note 1 - Budgetary Information**

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles and the modified accrual basis of accounting except for certain non-program expenditures which are reported as instruction and/or support service expenditures on the Statement of Revenues, Expenditures and Changes in Fund Balances.

**Excess Expenditures over Appropriations**

The following general and special education fund functions had an excess of actual expenditures over appropriations for the year ended June 30, 2022:

Fund - Function	Excess Expenditures
<b>General Fund</b>	
Physical Instruction	\$ 39,588
Other Instruction	\$ 44,143
Building administrative services	\$ 83,723
Business administrative services	\$ 111,890
Operations and maintenance	\$ 176,068
Debt service	\$ 100,716
Other non-program services	\$ 12,623
<b>Special Education Fund</b>	
Special education Instruction	\$ 156,657
Business administrative services	\$ 100,956

**Note 2 – Wisconsin Retirement System (WRS) Pension Data**

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

*Changes of assumptions.*

Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the EFT Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2021, including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the post-retirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-ended December 31, 2018, including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the post-retirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Table to the Wisconsin 2018 Mortality Table.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION  
June 30, 2022**

**Note 2 – Wisconsin Retirement System (WRS) Pension Data (continued)**

**Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Valuation Date:	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return	5.4%	5.4%	5.5%	5.5%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	7.0%	7.0%	7.2%	7.2%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.0%	3.0%	3.2%	3.2%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	1.9%	1.9%	2.1%	2.1%	2.1%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015- 2017.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015- 2017.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012- 2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012- 2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012- 2014.
Mortality:	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP- 2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP- 2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP- 2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP- 2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP- 2015 fully generational improvement scale (multiplied by 50%).

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

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTAL INFORMATION**  
**June 30, 2022**

**Note 2 - Wisconsin Retirement System (WRS) Pension Data (continued)**

**Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined contributions (continued):**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Valuation Date:	December 31, 2014	December 31, 2013	December 31, 2012	December 31, 2011
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions				
Net Investment Rate of Return	5.5%	5.5%	5.5%	5.5%
Weighted based on assumed rate for:				
Pre-retirement:	7.2%	7.2%	7.2%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%
Salary Increases				
Wage Inflation:	3.2%	3.2%	3.2%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	2.1%	2.1%	2.1%	2.1%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009-2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009-2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009-2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2009 valuation pursuant to an experience study of the period 2006-2008.
Mortality:	Wisconsin 2012 Mortality Table. The rate based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality.	Wisconsin 2012 Mortality Table. The rate based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality.	Wisconsin 2012 Mortality Table. The rate based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality.	Wisconsin Projected Experience Table - 2005 for women and 90% of the Wisconsin Projected Experience Table - 2005 for men.

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

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTAL INFORMATION**  
**June 30, 2022**

**Note 3 – Supplemental Pension Data - Schedule of Changes in Net pension liability (asset) and related ratios**

Changes to the plan – There were no plan changes for this year.

Changes of assumptions – The WRS retirement rates to age 75 and the assumed number of dependents covered under family coverage used in calculating the expected per capita claims costs were updated. No other significant change in assumptions were noted from the prior year.

**Note 4 – Schedule of Changes in Net OPEB liability (asset) and related ratios**

Changes of plan. There were no plan changes for this year.

Changes of assumptions. The WRS retirement rates to age 75 was updated. No other significant change in assumptions were noted from the prior year.

**Note 5 – OPEB Plan Data – Local Retiree Life Insurance Fund (LRLIF)**

The data presented in the Schedule of Proportionate share of net OPEB liability (asset) and the Schedule of Contributions is derived from data provided by the Wisconsin Department of Employee Trust Funds.

Changes of benefit terms. There were no recent changes in benefit terms.

Changes of assumptions. In addition to the rate changes detailed in the tables above, the State of Wisconsin Employee Trust Fund Board adopted economic and demographic assumption changes based on a three-year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retiree life insurance programs and are summarized below:

The assumption changes that were used to measure the December 31, 2021 total OPEB liabilities, including the following:

- Lowering the price inflation rate from 2.5% to 2.4%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

The assumption changes that were used to measure the December 31, 2018 total OPEB liabilities, including the following:

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect updated trends by transitioning from Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

**SUPPLEMENTAL FINANCIAL INFORMATION**

**GLENDALE - RIVER HILLS SCHOOL DISTRICT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2022**

	<b>Special Revenue Funds</b>				<b>Total Nonmajor Governmental Funds</b>
	<b>Food Service</b>	<b>Gift Fund</b>	<b>Community Service</b>	<b>Debt Service</b>	
<b>ASSETS</b>					
Cash and investments	\$ 7,804	\$ 50,289	\$ 465,622	\$ 31,226	\$ 554,941
Accounts receivable	84,115	-	-	-	84,115
Due from other governments	77,103	-	-	-	77,103
<b>Total Assets</b>	<u>\$ 169,022</u>	<u>\$ 50,289</u>	<u>\$ 465,622</u>	<u>\$ 31,226</u>	<u>\$ 716,159</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Payroll taxes and withholdings	\$ -	\$ -	\$ 20,436	\$ -	\$ 20,436
Unearned revenue	628	-	-	-	628
<b>Total Liabilities</b>	<u>628</u>	<u>-</u>	<u>20,436</u>	<u>-</u>	<u>21,064</u>
<b>Fund Balances</b>					
Restricted	168,394	50,289	445,186	31,226	695,095
<b>Total Fund Balances</b>	<u>168,394</u>	<u>50,289</u>	<u>445,186</u>	<u>31,226</u>	<u>695,095</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 169,022</u>	<u>\$ 50,289</u>	<u>\$ 465,622</u>	<u>\$ 31,226</u>	<u>\$ 716,159</u>

See accompanying notes to the financial statements.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2022**

	Special Revenue Funds			Debt Service	Total Nonmajor Governmental Funds
	Food Service	Gift Fund	Community Service		
<b>Revenues</b>					
Local	\$ 151,403	\$ 27,150	\$ 546,755	\$ 266,445	\$ 991,753
State	3,425	-	-	-	3,425
Federal	726,636	-	-	-	726,636
<b>Total Revenues</b>	<u>881,464</u>	<u>27,150</u>	<u>546,755</u>	<u>266,445</u>	<u>1,721,814</u>
<b>Expenditures</b>					
<b>Instruction</b>					
Other Instruction	-	48,366	-	-	48,366
<b>Total Instruction</b>	<u>-</u>	<u>48,366</u>	<u>-</u>	<u>-</u>	<u>48,366</u>
<b>Support Services</b>					
Operations and maintenance	-	-	430,731	-	430,731
Debt service					
Principal	-	-	-	224,155	224,155
Interest and fees	-	-	-	39,203	39,203
Other support services	-	159	-	-	159
Community services	-	-	39,373	-	39,373
Food service	809,384	-	-	-	809,384
<b>Total Support Services</b>	<u>809,384</u>	<u>159</u>	<u>470,104</u>	<u>263,358</u>	<u>1,543,005</u>
<b>Total Expenditures</b>	<u>809,384</u>	<u>48,525</u>	<u>470,104</u>	<u>263,358</u>	<u>1,591,371</u>
<b>NET CHANGE IN FUND BALANCES</b>	72,080	(21,375)	76,651	3,087	130,443
Fund Balances, beginning of year	96,314	71,664	368,535	28,139	564,652
<b>FUND BALANCES, end of year</b>	<u>\$ 168,394</u>	<u>\$ 50,289</u>	<u>\$ 445,186</u>	<u>\$ 31,226</u>	<u>\$ 695,095</u>

See accompanying notes to the financial statements.

**SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
AND RELATED AUDITOR'S REPORTS**



**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended June 30, 2022

Awarding Agency / Pass-Through Agency / Award Description	Federal Catalog Number	Program of Award Amount	Pass-Through Entity Identifying Number	Accrued Receivable 7/1/2021	Expenditures Grantor	Revenues Grantor Reimbursements	Accrued Receivable 6/30/2022
<b>U.S. DEPARTMENT OF EDUCATION</b>							
State of Wisconsin							
Wisconsin Department of Public Instruction							
<b>Special Education Cluster</b>							
<u>IDEA Flow-Through</u>							
July 1, 2020 - June 30, 2021	84.027	\$ 215,209	2022-402184-DPI-FLOW-341	\$ 220,569	\$ -	\$ 220,569	\$ -
July 1, 2021 - June 30, 2022		\$ 253,900		-	253,900	-	253,900
<u>ARPA - IDEA Flow-Through</u>							
July 1, 2021 - June 30, 2022	84.027	\$ 45,128	2022-402184-DPI-FLOW-341	-	45,128	-	45,128
<u>IDEA Preschool</u>							
July 1, 2020 - June 30, 2021	84.173	\$ 12,779	2022-402184-DPI-PRESCH-347	5,798	-	5,798	-
July 1, 2021 - June 30, 2022		\$ 25,598		-	25,598	-	25,598
<u>ARPA - IDEA Preschool</u>							
July 1, 2021 - June 30, 2022	84.173	\$ 6,584	2022-402184-DPI-PRESCH-347	-	6,584	-	6,584
<b>Total Special Education Cluster</b>				<b>226,367</b>	<b>331,210</b>	<b>226,367</b>	<b>331,210</b>
<b>Education Stabilization Fund</b>							
<u>Elementary &amp; Secondary School Emergency Relief - COVID-19</u>							
March 13, 2020 - September 30, 2022	84.425D	\$ 113,916	2021-402184-DPI-ESSERF-160	113,916	-	592	113,324
<u>Elementary &amp; Secondary School Emergency Relief II - COVID-19</u>							
March 13, 2020 - September 30, 2023	84.425D	\$ 320,992	2022-402184-DPI-ESSERFII-163	-	320,992	-	320,992
<b>Total Education Stabilization Fund</b>				<b>113,916</b>	<b>320,992</b>	<b>592</b>	<b>434,316</b>
<u>Title I A</u>							
July 1, 2020 - June 30, 2021	84.010	\$ 155,705	2022-402184-DPI-TIA-141	147,253	-	147,253	-
July 1, 2021 - June 30, 2022		\$ 126,239		-	126,239	-	126,239
<u>Title II A - Quality Teachers and Principals</u>							
July 1, 2020 - June 30, 2021	84.367	\$ 24,437	2022-402184-DPI-TIIA-365	22,078	-	22,078	-
July 1, 2021 - June 30, 2022		\$ 24,757		-	27,697	-	27,697
<u>Title IV A - Student Support and Acad Enrich Grant</u>							
July 1, 2020 - June 30, 2021	84.424	\$ 10,000	2022-402184-DPI-TIVA-381	10,000	-	10,000	-
July 1, 2021 - June 30, 2022		\$ 10,000		-	10,000	-	10,000
<b>Total U.S. Department of Education</b>				<b>519,614</b>	<b>816,138</b>	<b>406,290</b>	<b>929,462</b>
<b>U.S. DEPARTMENT OF TREASURY</b>							
<u>GKA-Get Kids Ahead</u>							
July 1, 2021 - June 30, 2022	21.027	\$ 43,318	-	-	-	22,192	(22,192)
<b>Total U.S. Department of Treasury</b>				<b>-</b>	<b>-</b>	<b>22,192</b>	<b>(22,192)</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>							
State of Wisconsin							
Wisconsin Department of Public Instruction							
<b>Child Nutrition Cluster</b>							
<u>National School Breakfast Program</u>							
July 1, 2021 - June 30, 2022	10.553	\$ -	2022-402184-DPI-SB-546	-	127,816	117,928	9,888
<u>Summer Food Service Program - COVID-19</u>							
January 1, 2021 to June 30, 2021	10.559	\$ -	2022-402184-DPI-SFSP-561	89,504	-	89,504	-
<u>School Lunch Program - COVID-19</u>							
July 1, 2021 - June 30, 2022	10.555	\$ -	2022-402184-DPI-NSL-547	-	548,866	481,651	67,215
<u>Food Distribution Program</u>							
July 1, 2021 to June 30, 2022	10.555	\$ 49,954	2022-402184-DPI-NSL-547	-	49,954	49,954	-
<b>Total Child Nutrition Cluster</b>				<b>89,504</b>	<b>726,636</b>	<b>739,037</b>	<b>77,103</b>
<b>Total U.S. Department of Agriculture</b>				<b>89,504</b>	<b>726,636</b>	<b>739,037</b>	<b>77,103</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>							
State of Wisconsin							
Wisconsin Department of Health Services							
<u>Medical Assistance Program</u>							
July 1, 2020 to June 30, 2021	93.778	\$ -	44242500	4,303	-	4,303	-
July 1, 2021 to June 30, 2022		\$ -		-	237,939	94,563	143,376
<b>Total Medical Assistance Program</b>				<b>4,303</b>	<b>237,939</b>	<b>98,866</b>	<b>143,376</b>
<b>Total U.S. Department of Health and Human Services</b>				<b>4,303</b>	<b>237,939</b>	<b>98,866</b>	<b>143,376</b>
<b>Totals</b>				<b>\$ 613,421</b>	<b>\$ 1,780,713</b>	<b>\$ 1,266,385</b>	<b>\$ 1,127,749</b>

See accompanying notes to schedules of expenditures of federal and state awards.

**GLENDALE - RIVER HILLS SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
For the Year Ended June 30, 2022

<u>Awarding Agency/Pass-Through Agency/Award Description</u>	State ID Number	Pass-Through Entity Identifying Number	Accrued Receivable 7/1/21	Revenue/ Expenditures	Reimbursements	Accrued Receivable 6/30/22
<b>WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION</b>						
<b>Entitlement Programs</b>						
<b>Major State Programs</b>						
General Equalization	255.201	402184-116	\$ 4,268	\$ 228,667	\$ 232,935	\$ -
Special Education & School Age Parents	255.101	402184-100	-	798,378	798,378	-
<b>Total Major Programs</b>			<u>4,268</u>	<u>1,027,045</u>	<u>1,031,313</u>	<u>-</u>
<b>Nonmajor State Programs</b>						
Common School Library Aid	255.103	402184-104	-	40,434	40,434	-
Per Pupil Adjustment Aid	255.945	402184-113	-	681,156	681,156	-
Pupil Transportation Aid	255.107	402184-102	-	8,879	8,879	-
Alcohol and Other Drug Abuse	255.306	402184-143	821	-	821	-
Special Adjustment Aid	255.203	402184-118	-	6,498	6,498	-
Assessment of Reading Readiness	255.956	402184-166	-	1,269	1,269	-
School Bashed Mental Health Programs	255.297	402184-177	-	82,015	-	82,015
<b>Total Nonmajor Programs</b>			<u>821</u>	<u>820,251</u>	<u>739,057</u>	<u>82,015</u>
<b>Total Entitlement Programs</b>			<u>5,089</u>	<u>1,847,296</u>	<u>1,770,370</u>	<u>82,015</u>
<b>Other</b>						
State School Lunch Aid	255.102	402184-107	-	3,425	3,425	-
<b>Totals</b>			<u>\$ 5,089</u>	<u>\$ 1,850,721</u>	<u>\$ 1,773,795</u>	<u>\$ 82,015</u>

See accompanying notes to schedules of expenditures of federal and state awards.

**GLENDALE – RIVER HILLS SCHOOL DISTRICT**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**Year Ended June 30, 2021**

**Note 1 - Basis of Presentation**

The accompanying schedules of expenditures of federal awards and state awards (the "Schedules") includes the federal and state award activity of the District. The information in these Schedules 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 Wisconsin State Single Audit Guidelines. 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 - Summary of Significant Accounting Policies**

Expenditures reported on the Schedules are reported on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State and Local Governments*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Wisconsin State Single Audit Guidelines.

The District did not elect to use the 10% de minimis cost rate as covered in Uniform Guidance Section 200.414 *Indirect (F&A) Costs*.

**Note 3 – Oversight Agencies**

The District's federal oversight agency for audit is the U.S. Department of Education. The District's state cognizant agency is the Wisconsin Department of Public Instruction.

**Note 4 – Eligible Costs for Special Education**

Eligible costs for special education under project 011 were \$2,645,130 for the year ended June 30, 2022.

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

Board of Education  
Glendale - River Hills School District  
Milwaukee County, 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 Glendale-River Hills School District (the "District") as of and for the year ended June 30, 2022, 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 14, 2022.

**Report on 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 entity'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 were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be significant deficiencies or material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of finding and questioned costs as items **2022-001 & 2022-002** that we consider to be significant deficiencies.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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 determination of financial statement amounts. 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 that are required to be reported under *Government Auditing Standards*.

### **Glendale-River Hills School District's Response to Findings**

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Glendale-River Hills School 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 the response.

### **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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SCHUMACHER SAMA, LLP



Wauwatosa, Wisconsin  
December 14, 2022

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND THE  
STATE SINGLE AUDIT GUIDELINES**

Board of Education  
Glendale - River Hills School District  
Milwaukee County, Wisconsin

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited the compliance of the Glendale-River Hills School District's (the "District") with the types of compliance requirement described in *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022. We have also audited the compliance of the District with the types of compliance requirements described in the State Single Audit Guidelines issued by the Wisconsin Department of Administration and the Wisconsin Public School District Audit Manual, issued by the Wisconsin Department of Public Instruction that are applicable to each of its major state programs for the year ended June 30, 2022. 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.

In our opinion, the District complied, in all material respects, with the 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, 2022.

***Basis for Opinion on Each Major Federal and State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); and 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). We have also conducted our audit of compliance with the requirements described in the State Single Audit Guidelines issued by the Wisconsin Department of Administration and the Wisconsin Public School District Audit Manual, issued by the Wisconsin Department of Public Instruction. Our responsibilities under those standards, the Uniform Guidance, and State Single Audit Guidelines, are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal and state programs.

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, Uniform Guidance, and State Single Audit Guidelines will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, Uniform Guidance, and State Single Audit Guidelines we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

SCHUMACHER SAMA, LLP

A handwritten signature in cursive script that reads "Schumacher Sama, LLP".

Wauwatosa, Wisconsin  
December 14, 2022



**GLENDALÉ – RIVER HILLS SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2022**

**Section I: Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued	Unmodified	
Internal control over financial reporting		
Material weakness(es) identified?	___ yes	<u> X </u> no
Significant deficiency(s) identified not considered to be material weaknesses?	<u> X </u> yes	___ no
Noncompliance material to financial statements noted?	___ yes	<u> X </u> no

**Federal Awards**

Internal control over major programs		
Material weakness(es) identified?	___ yes	<u> X </u> no
Significant deficiencies identified not considered to be material weaknesses?	___ yes	<u> X </u> no

Type of auditor's report issued on compliance for major federal programs	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	___ yes	<u> X </u> no
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Identification of major programs

<u>CFDA NUMBER(S)</u>	<u>Name of Federal Program or Cluster</u>
93.778	Medical Assistance Program
10.555	Child Nutrition Cluster

Dollar threshold used to distinguish between Type A & Type B programs	<u>\$750,000</u>
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Auditee qualified as low-risk auditee?	___ yes	<u> X </u> no
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**GLENDALÉ – RIVER HILLS SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2022**

**Section II: Financial Statement Findings (continued)**

**Finding 2022-002: Significant Deficiency in Internal Control Finding – Timely deposits**

Criteria – Immediately upon receipt, funds received must be deposited into a District bank account.

Condition – Various checks received in the mail were misplaced therefore not timely deposited per state statues.

Effect – As a result of not depositing funds timely, the District has a weakness in internal control, which gives rise to an opportunity for fraud or misappropriate of assets.

Cause – Tracking of the deposits received through the mail is not maintained by the District resulting in the District not realizing the checks were misplaced.

Recommendation – We recommend the person receiving the mail prepares a listing of all moneys received prior to forwarding to the person responsible for making the bank deposit. The bank deposit should than be tied out to this listing.

Corrective Action Plan – The Business Office will receive and deposit checks within 48 hours of receipt at bank location or electronically with a check scanner. Deposit slip and/or checks documentation will be combined with cash receipt entry from Skyward.

**Section III: Federal and State Awards Findings and Questioned Costs**

There were no findings related to federal awards

There were no findings related to state awards

**Section IV: Other issues**

1. Does the auditor's report of the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? \_\_\_\_\_Yes        X  No      \_\_\_\_\_N/A

**Section IV: Other issues**

2. Does the audit report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:
- |                                     |          |                 |          |
|-------------------------------------|----------|-----------------|----------|
| Department of Health Services       | _____Yes | <u>  X  </u> No | _____N/A |
| Department of Workforce Development | _____Yes | <u>  X  </u> No | _____N/A |
| Department of Corrections           | _____Yes | <u>  X  </u> No | _____N/A |

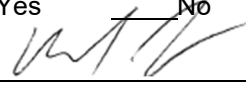
**GLENDALÉ – RIVER HILLS SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2022**

**Section IV: Other issues (continued)**

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

Yes       No       N/A

4. Name and signature of partner

  
\_\_\_\_\_  
Michael A. Sama, CPA

5. Date of report

\_\_\_\_\_  
December 14, 2022

**GLENDALE – RIVER HILLS SCHOOL DISTRICT  
CORRECTIVE ACTION PLAN  
Year Ended June 30, 2022**

**Financial Statement Findings**

**Finding 2022-01: Significant Deficiency in Internal Control Finding – Inability to prepare GAAP financial statements**

Corrective Action Plan – The District does not have the resources and staff to prepare the financial statement and notes but will continue to oversee the auditor’s services and review and approve the financial statements and accept responsibility for them.

Contact person: Lindsay Johnson, Finance Manager | Phone: (414) 351-7175

**Finding 2022-02: Significant Deficiency in Internal Control Finding – Timely deposits**

Corrective Action Plan – The Business Office will receive and deposit checks within 48 hours of receipt at bank location or electronically with a check scanner. Deposit slip and/or checks documentation will be combined with cash receipt entry from Skyward.

Contact person: Lindsay Johnson, Finance Manager | Phone: (414) 351-7175

**GLENDALÉ – RIVER HILLS SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
Year Ended June 30, 2022**

**Finding 2021-01: Significant Deficiency in Internal Control Finding – Inability to prepare GAAP financial statements**

Condition: The District's internal control over financial reporting extends through completion of the general ledger, but not to preparation of financial statements and notes. As auditors, we were requested to draft the financial statements including adjustments required under GASB 34 and the accompanying notes to the financial statements. The auditors believe, in the auditors' judgment, the District does possess the necessary expertise to understand the financial statements but has chosen to hire the auditor's to perform this service.

Recommendation: We recommend that management and those charge with governance continue to oversee and accept responsibility of the financial statement preparation services.

Status of Finding: The District doesn't have the resources and staff to prepare the financial statements and notes but continues to oversee the auditor's services and review and approve the financial statements and accept responsibility for them. The finding has not been corrected.

**Finding 2021-02: Medicaid School Based Services**

Condition: Contracted staff costs were claimed on the 2019-2020 Annual Cost Report for which supporting documentation could not be located at the time of audit.

Questioned cost: \$18,834.09

Recommendation: We recommend that the District maintain a separate file with all supporting documentation for all costs on the Annual Cost Report for a minimum of 5 years.

Status of Finding: Resolved.

**Finding 2021-03: Special Education & School Age Parents**

Condition: A paraprofessional's salary and benefit's costs were incorrectly coded to project 011 as eligible for aid, even though the teacher aid did not have a special education licensure.

Questioned cost: \$64,192.10

Recommendation: We recommend that the District review all special education staff to ensure that they have proper special education licensure.

Status of Finding: Resolved.