

PLEASE POST



SCHOOL DISTRICT OF SHOREWOOD
Shorewood, Wisconsin
January 26, 2021 AGENDA

SCHOOL BOARD MEETING
7:00 PM
Virtual Meeting Only

Shorewood School District

SCHOOL BOARD MEETING at 7:00 PM
Tuesday, January 26, 2021

VIRTUAL MEETING ONLY

Join Zoom
<https://us02web.zoom.us/j/81599627722>

Meeting ID: 815 9962 7722

One tap mobile
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Meeting ID: 815 9962 7722
Find your local number: <https://us02web.zoom.us/u/kdeePLnyIh>

I. 7 pm CALL TO ORDER

A. Adopt the Agenda

B. Overarching Result for Shorewood School District

Our students are leaders who challenge themselves to grow and achieve academically, pursue their passions, navigate change, learn continuously and contribute to the common good.

C. Awards and Recognition

II. 7:05 pm STUDENT ACHIEVEMENT & RESULTS

III. 7:15 pm PUBLIC COMMENTS #1 (GC 3.3)

Initiate and maintain effective communication with the citizens and other important stakeholder groups as a means to engage them in the work of the Board and the District.

IV. 7:30 pm SUPERINTENDENT'S ACTION AGENDA

A. 2020 Audit Report Roger Dickson 4

B. OE 1 Global Operations Expectation Monitoring Report Bryan Davis 107

C. OE 2 Emergency Superintendent Succession Plan Bryan Davis 111

V. 8:30 pm SUPERINTENDENT'S CONSENT AGENDA (OE 6.10 & GC 2.4)

Provide for the Board adequate information about all administrative actions and decisions that are delegated to the Superintendent, but required by law to be approved by the Board.

A. Monthly Financial Reporting Roger Dickson 113

B. Depository Resolution Roger Dickson 135

C. Extension of COVID-19 Leave 141

D. Approval of New Hire: Jeffry Rivera Prado 143

VI. 8:40 pm PUBLIC COMMENTS #2 (GC 3.3)

VII. 8:55 pm DISTRICT OPERATIONS

A. Budget Assumptions for the 2021/2022 School Year Roger Dickson 144

B. Learning Model Updates Bryan Davis 147

VIII. 9:05 pm BOARD ACTION AGENDA

A. Finance Ad Hoc Committee

IX. 9:15 pm BOARD CONSENT AGENDA (GC 2.4)

The Board will use a consent agenda as a means to expedite the disposition of routine matters and dispose of other items of business it chooses not to discuss.

A. Approval of January 12, 2021 Board Meeting Minutes 151

X. 9:20 pm PUBLIC COMMENTS #3 (GC 3.3)

XI. 9:35 pm BOARD GOVERNANCE

A. HRC Liaison 153

B. Recreation Department Update

C. SWSA Update 154

D. State Education Convention Report

E. Policy and Work Plan Updates

F. SEED Foundation

XII. 10:00 pm REVIEW OF 'TO DO' ITEMS

XIII. 10:05 pm FUTURE AGENDA ITEMS

XIV. 10:10 pm RECESS

XV. 10:15 pm BOARD MEETING DEBRIEF (GC 2.2)

As a means of continuous improvement, the Board regularly and systematically will monitor all policies in this section, and will assess the quality of each meeting by debriefing the meeting following its conclusion.

1. What did the Board do well in this meeting?

2. What did not work well for us?

3. What do we want to do to improve?

4. How did we impact student results?

XVI. 10:25 pm ADJOURN

XVII. UPCOMING SCHEDULE ITEMS

School Board Town Hall, February 9 at 6 pm

School Board Meeting, February 9 at 7 pm

School Board Meeting, February 23 at 7 pm

School Board Finance Workshop, February 24 at 5 pm

Community Linkage Meetings:

- Youth Rising Up, February 23 at 11:15 am
- Families of Students with Special Needs, March 23 at 6 pm

XVIII. Spring Election, April 6



**EXECUTIVE SUMMARY
FOR THE SHOREWOOD SCHOOL BOARD**

Topic: Audited Financial Statements for the Year Ended June 30, 2020

Date: January 26, 2021

Prepared by: Roger Dickson

Board Policy Reference:

Recommended action:

- Information only
- Presentation/discussion
- Discussion/action by board of education
- Presentation/action next meeting

Purpose: Recommend accept the audited financial statements for the year ended June 30, 2020.

Background: The financial records of the school district are audited yearly by an independent certified public accountant in compliance with state statutes and good business practices. The audit is conducted in conformance with generally accepted auditing standards and DPI regulatory requirements. The audit is conducted on behalf of the Board of Education and the auditors report directly to the Board.

This year, the report of the audit and presentation of the audited financial statements was delayed due to staff turnover in the business office, resulting in preparation of several reports required by the auditors being completed late. Management is in the process of developing an annual work plan to include tasks necessary for completing end of year financial reporting and preparation for the annual audit.

Representatives of the audit firm, Clifton, Larson, Allen, LLP will be presenting the audited financial statements as well as comments or suggestions, if any.

Attachments: Draft Financial Statements, Draft Executive Summary from auditor.



CliftonLarsonAllen LLP
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Board of Education
Shorewood School District
Shorewood, Wisconsin

This Executive Audit Summary and Board Communications present information which we believe is important to you as members of the Board of Education. We encourage you to review the sections of this report, the audited financial statements, and the auditors' reports.

We would be pleased to furnish additional information with respect to these suggestions and discuss this memorandum with you at your convenience. We wish to express our appreciation to the District for the courtesies, cooperation, and assistance extended to us during the course of our work.

CliftonLarsonAllen LLP

David Maccoux, CPA
Principal

Amber Drewieske, CPA
Manager

SHOREWOOD SCHOOL DISTRICT
EXECUTIVE AUDIT SUMMARY AND BOARD
COMMUNICATIONS
YEAR ENDED JUNE 30, 2020

**SHOREWOOD SCHOOL DISTRICT
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YEAR ENDED JUNE 30, 2020**

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**EXECUTIVE AUDIT SUMMARY FOR
SHOREWOOD SCHOOL DISTRICT
YEAR ENDED JUNE 30, 2020**

We prepared this Executive Audit Summary in conjunction with our audit of the District's financial statements for the year ended June 30, 2020.

Audit Opinion

The financial statements are fairly stated. We issued what is known as a "clean" audit report.

Internal Controls

Our report on internal control included the following deficiencies in internal controls over financial reporting:

Significant Deficiencies:

- Finding 2020-001 Preparation of Annual Financial Report

In addition, there were no deficiencies in internal control over compliance reported.

Compliance Findings

There were no separate compliance findings reported.

General Fund Balance

The District's General Fund experienced a decrease in fund balance of \$192,382 for the year ending June 30, 2020. The ending fund balance of \$2,468,652 at June 30, 2020 represents 9% of expenditures included for the year and is an important aspect in the District's financial well-being since a healthy fund balance represents things such as cash flow and as a cushion against unanticipated expenditures, enrollment fluctuations, and state aid changes.

Budget

The District's General Fund revenues were \$25,944,642, or .06%, less than the final budget, while total expenditures were \$23,357,357, or .49%, less than had been budgeted.



FORMAL REQUIRED COMMUNICATIONS

Board of Education
Shorewood School District
Shorewood, Wisconsin

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Shorewood School District (the District) as of and for the year ended June 30, 2020, and have issued our report thereon dated January 26, 2021. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, Government Auditing Standards, Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2020.

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

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

The most sensitive estimates affecting the financial statements were:

- Useful lives of depreciable capital assets
- Supplemental pension and other postemployment benefits.
- Net pension asset/liability (WRS)
- Fair value of investments

Management's estimate of useful lives for depreciable assets is based upon analysis of the expected useful life of the capital assets. The useful life of a depreciable asset determines the amount of depreciation that will be recorded in any given reporting period as well as the amount of accumulated depreciation that is reported at the end of a reporting period.

Management's estimate of the supplemental pension and other postemployment benefits payable and related deferred inflows and deferred outflows of resources is based on assumptions provided and used in the actuarial valuation including: inflation, salary increases, health-care cost trend rates, and mortality rates. The projected benefit payments also include assumptions about retiree and spouse participation rates, and estimates related to the implicit rate subsidy, which is the estimated increased cost of premiums due to inclusion of retirees in the same plan as the District's active employees.

Management's estimate of the net pension asset/liability related deferred inflows and deferred outflows of resources is based on an actuarially determined calculation of the District's proportionate share of the net pension liability of cost-sharing multiple-employer pension plans sponsored by the Wisconsin Retirement System in which the District participates.

Management's estimate of the fair value of investments is based on published market values.

We reviewed and tested management's procedures and underlying supporting documentation in the areas discussed above and evaluated the key factors and assumptions used to develop the estimates noted above in determining that they are reasonable in relation to the financial statements taken as a whole. We concluded that the accounting estimates and management judgments appeared to consider all significant factors and resulted in appropriate accounting recognition.

Financial Statement Disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

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

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There was an uncorrected misstatement of approximately \$206,000 for unrecorded capital leases. Management will evaluate the capital leases during the implementation of GASB Statement No. 87. Management has determined that the effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements taken as a whole.

Corrected Misstatements

None of the misstatements detected as a result of audit procedures and corrected by management are material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 26, 2021.

Management Consultations with Other Independent Accountants

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

Significant Issues Discussed with Management Prior to Engagement

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

Other Information in Documents Containing Audited Financial Statements

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

With respect to the schedule of expenditures of federal awards (SEFA) and the schedule of expenditures of state awards (SESA) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the SEFA and SESA to determine that the SEFA and SESA complies with the requirements of the Uniform Guidance and the *State Single Audit Guidelines*, the method of preparing it has not changed from the prior period or the reasons for such changes, and the SEFA and SESA is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the SEFA and SESA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated January 26, 2021.

With respect to the nonmajor fund combining statements, individual fund statements, and supporting schedules (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated January 26, 2021.

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

* * *

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

CliftonLarsonAllen LLP

Green Bay, Wisconsin
January 26, 2021



INTERNAL CONTROL COMMUNICATIONS

Board of Education
Shorewood School District
Shorewood, Wisconsin

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of (the District) as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to fraud or error may occur and not be detected by such controls. However, as discussed below, we identified a deficiency in internal control that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis.

Material Weaknesses

Given the limitations described in the second paragraph, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

Significant deficiencies

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. We consider the following deficiencies in the entity's internal control to be significant deficiencies:

None of the identified significant deficiencies are considered to be material weaknesses.

The following significant deficiency was identified and communicated in a prior period:

- **Preparation of Annual Financial Report**

Management is responsible for establishing and maintaining internal controls and for the fair presentation of the financial position, results of operations and disclosures in the financial statements, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Current District staff maintains accounting records which reflect the District's financial transactions; however, preparing the District's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. As such, management requested us to prepare a draft of the financial statements, including the related footnote disclosures. The outsourcing of these services is not unusual in entities of your size and is a result of management's cost benefit decision to rely on auditor expertise rather than incurring this internal resource cost. The design of internal controls over the financial reporting process affects the ability of the organization to report their financial data consistently with the assertions of management in the financial statements.

* * *

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

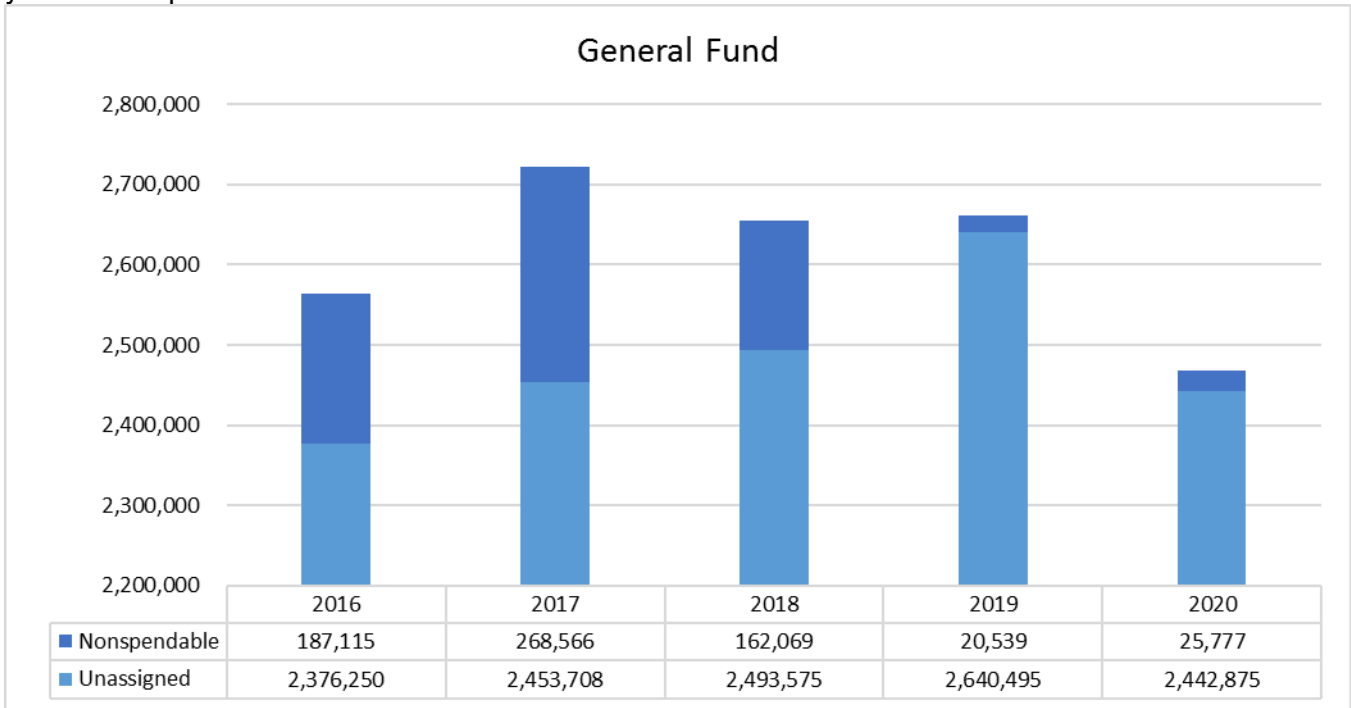
CliftonLarsonAllen LLP

Green Bay, Wisconsin
January 26, 2021

APPENDIX A

FINANCIAL TRENDS OF YOUR DISTRICT

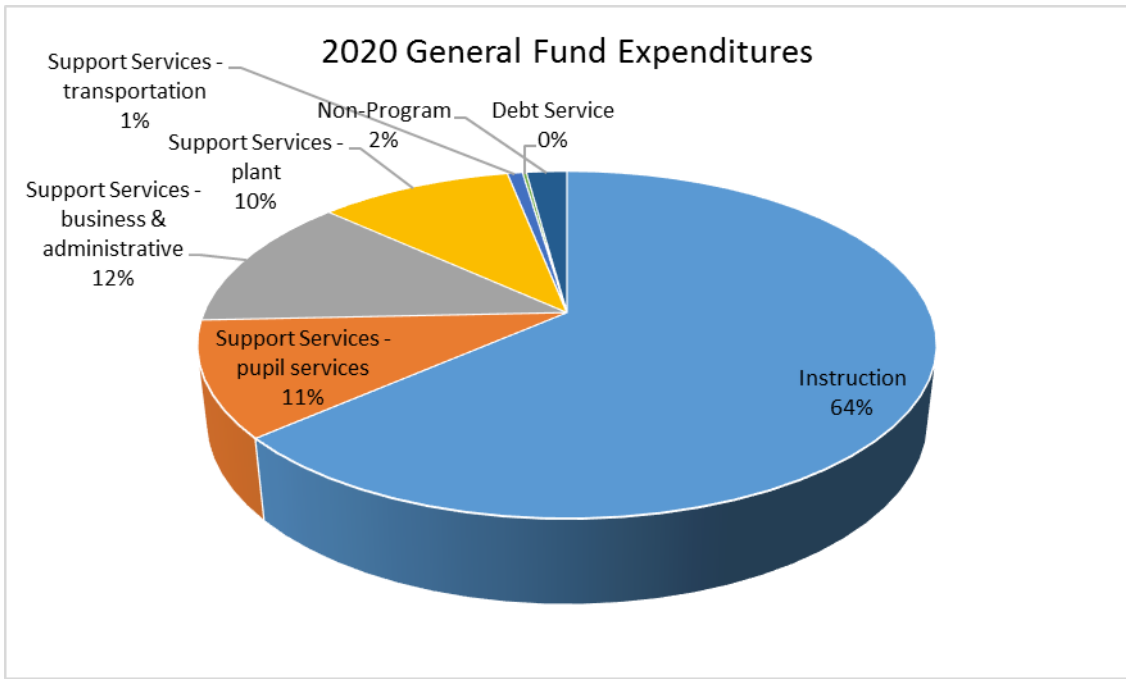
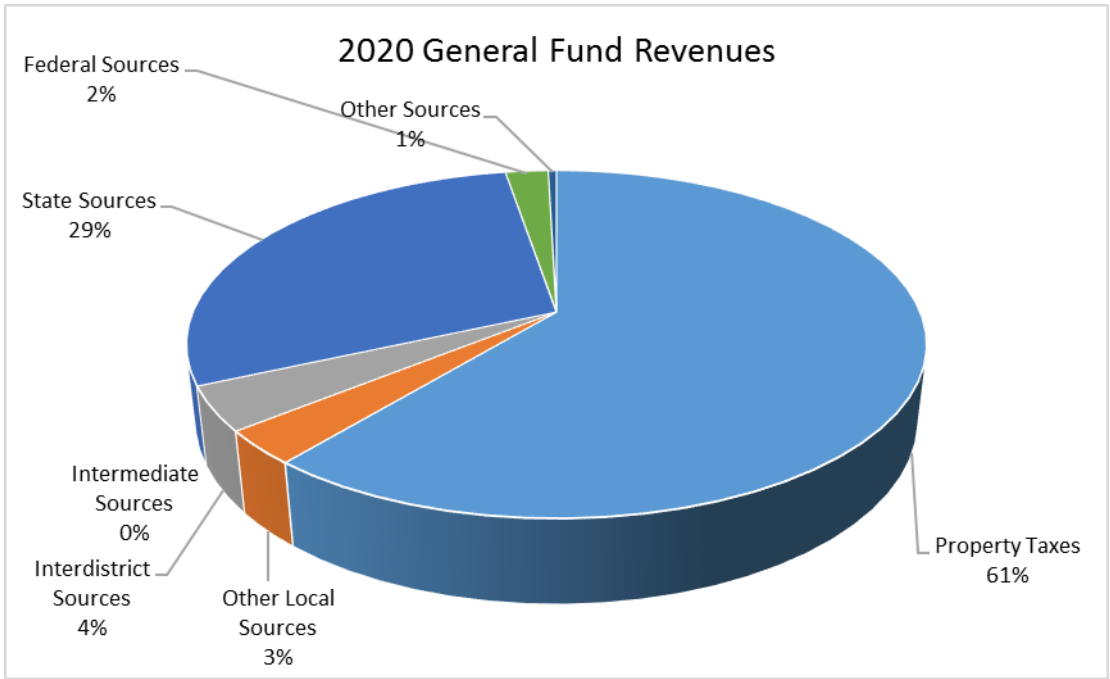
The following graphs reflect financial trends of Shorewood School District. Information related to fund balances, revenues, and expenditures on pages 9 through 10 were obtained from current and prior year audit reports.



As indicated above, the District’s unassigned General Fund balance totaled \$2,442,875 on June 30, 2020. This amount essentially represents cash available for use during the 2020 - 2021 school year. Based on industry benchmarks, a fund balance of between 20 - 25% of a school district’s General Fund operating expenditures is needed for a working cash reserve based on the following items that have a negative effect on cash flow:

1. The present payment schedule for state aids for school purposes results in approximately 83% of the total school aids due being received after December 1, more than five months after the school year has started. In addition, approximately 35% of aids are not received until June of July.
2. Property taxes levied to finance the school year budget are levied on January 1, six months after the school year has started. In addition, the collection method for property taxes results in a large portion of taxes not being received until August, approximately two months after the school year has ended.

The District issues short-term debt to temporarily finance general fund expenditures in the fall.



APPENDIX B

TECHNICAL UPDATE

GASB Standards that were effective for the District's 2019-2020 fiscal year:

GASB Statement No. 84 – Fiduciary Activities

GASB Statement No. 84 establishes criteria for identifying fiduciary activities for state and local governments, focusing on (1) whether the government is controlling the assets of the fiduciary activity, and (2) the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception is provided for a business-type activity that normally expects to hold custodial assets for three months or less. Different criteria are included for fiduciary component units and postemployment benefit arrangements.

The main changes of this statement:

1. Governments may find additional activities that need to be reported as fiduciary that were not reported in the past.
2. Some activities treated as fiduciary may no longer be reported as fiduciary.
3. Agency funds will now be called custodial funds.
4. A statement of changes in fiduciary net position will be required for custodial funds.
5. Liabilities will be reported when an event has occurred that compels the government to disburse fiduciary resources.
6. Single purpose business-type activities will be required to report fiduciary activities unless the above exception applies.

The statement is effective for Wisconsin school districts beginning in the 2020-2021 fiscal year.

Steps that can be taken now:

1. **Identify and review fiduciary activities.** Identify and review all current activity recorded in the fiduciary funds (60, 72, 73, and 76) to determine if they meet the revised definition of a fiduciary activity.
2. **Evaluate each activity and determine if it meets the fiduciary activity criteria.** The main focus of the evaluation will be related to “administrative involvement” and the level of control exercised by the district over student and parent organizations’ use of funds and the awarding of scholarships.
3. **Determine proper recording of each activity.** Fiduciary activities should be recorded in the fiduciary funds (Funds 60, 72, 73, and 76) and non-fiduciary activities should be recorded as district activities (most likely Funds 10 and 21). Revenues and expenditures, by source and type, will need to be tracked and reported for all fiduciary funds, including Fund 60. The Wisconsin Department of Public Instruction will be releasing a summary of account changes in WUFAR Revision #34.
4. **Revise financial reporting for the new standard.** Financial statements will include a Statement of Changes in Fiduciary Net Position.

GASB Statement No. 87 – Leases

GASB Statement No. 87 requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. Specifically, this statement:

1. Establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.
2. Defines the “lease term” and clarifies when lessees and lessors should reassess the lease term due to lease modifications or terminations.
3. Defines and establishes recognition criteria for short-term leases.
4. Amends accounting and financial reporting requirements for contracts with multiple components, contract combinations, subleases, and leaseback transactions.

The statement is effective for Wisconsin school districts beginning in the 2021-2022 fiscal year. Earlier application is encouraged.

Steps that can be taken now:

1. **Gather leases and contracts.** Depending on the number of leases your organization has, this may be a bigger challenge than anticipated. Keep in mind that not all leases are written “lease” agreements. Some contracts also include embedded leases that were previously treated as expenses, so you may be surprised to find more operating leases than you realized. Checking accounts payable for recurring payments may help you locate agreements that you’ll need to analyze.
2. **Analyze all contracts to determine which are leases under the new standard.** GASB 87 defines a lease as a “contract that conveys control of the right to use another entity’s nonfinancial asset (the underlying asset), as specified in the contract, for a period of time in an exchange or exchange-like transaction.” Here are some of the agreements that can be excluded:
 - Short-term leases that are one year or less in duration.
 - Intangibles, such as investment assets, software licenses, and patents.
 - Financed purchases, where ownership of the asset transfers at the end of the lease without an additional payment.
3. **Review leases for multiple components.** Some leases include service agreements that will need to be split off from the entire lease. Many agreements (like service agreements and supply contracts) may qualify as leases under GASB 87. Some examples of service contracts that may have embedded leases can include cafeteria equipment, soda fountains, water coolers, coffee machines, etc. where the government may get to use a particular piece of equipment for free in return for the exclusive use of the provider’s products.
4. **Determine appropriate materiality thresholds for capitalization.** Work with your auditor to determine what this should be. Be aware that items that are well below that threshold individually may be material in the aggregate.
5. **Select a technology solution such as leasing software to help manage your leases.** Unless your organization only has a few leases, the calculations for journal entries and footnote disclosures will most likely be beyond the capabilities of Excel. When choosing a software solution, keep in mind that tracking this information from leases will be an ongoing project, so look for one that’s easy to use and provides your organization with all the information you’ll need. Make sure to consider document storage as part of the capabilities. Entities with greater than 10-20 identified leases may wish to seriously consider a lease software solution and not rely on spreadsheets. Keep in mind that if a government has many similar leases, it may choose to amortize the lease assets as a group rather than individually. Composite depreciation is applied to groups of dissimilar assets, but should not be applied across classes of assets, such as buildings, equipment, furniture, and vehicles.
6. **Consider the district’s bond covenants, loan covenants, and debt limitations to determine impact.** While a recent update from GASB (GASB 88) specifies that lease liabilities are excluded from the definition of debt for the purposes of financial statement disclosures, it’s not clear whether banks, credit rating agencies or other stakeholders will take a similar stance.

Adding liabilities for operating leases to the balance sheet may mean that covenants for bond contracts and loan agreements will be violated. If this is the case, you may need to renegotiate those agreements. Contacting these stakeholders and other interested parties early on is crucial.

Adding to the complexity, the rules and statutes governing debt limitations vary across states, counties, and municipalities. You may need to consult with an attorney to determine whether lease liabilities count as debt for those limitations.

7. Develop new district policies and procedures as necessary. Unlike many other financial controls, you'll need to work as a team with people outside of accounting, including procurement, IT, and legal, to make sure all leases and contracts go through accounting. You may need to educate others about the balance sheet impacts of leases.
8. Do your initial calculations and run the results past your auditor. Because the calculations are different from the previous treatment of leases, some advisors are recommending performing a trial calculation on a subset of your leases. Then, ask us as your auditors to check your numbers before you do the entire population of leases.
9. Begin the process early. Early adopters report that they need two or three hours per lease to analyze and extract the data. Adding to the challenge, many government finance professionals wear many hats, and dealing with financial matters may be only a small part of their responsibilities. Be sure to keep the resulting information very organized and accessible and also keep in mind the new information that will be required for footnote disclosures.
10. Start learning and keep learning. Understanding the new standards is a steep learning curve. You'll need to dedicate time and resources for your team to get up to speed.

GASB Statement No. 89 – Accounting for Interest Cost Incurred before the End of a Construction Period

GASB Statement No. 89 provides that for financial statements prepared using the economic resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expense in the period in which the cost is incurred. Such interest cost should not be capitalized as part of the historical cost of a capital asset. The statement is effective for Wisconsin school districts beginning in the 2020-2021 fiscal year. Earlier application is encouraged.

GASB Statement No. 90 – Majority Equity Interests—An Amendment of GASB Statements No. 14 and No. 61

GASB Statement No. 90 modifies previous guidance for reporting a government's majority equity interest in a legally separate organization by specifying that this type of interest should be reported as an investment if it meets the definition of an investment as prescribed in GASB 72. For all other holdings of a majority equity interest, a government would report the legally separate organization as a component unit, and the government or fund that holds the interest would report the asset using the equity method. The statement is effective for Wisconsin school districts beginning in the 2019-2020 fiscal year.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2020



**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
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SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
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INDEPENDENT AUDITORS' REPORT

Board of Education
Shorewood School District
Shorewood, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Shorewood School District, Shorewood, Wisconsin (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and the schedules relating to pensions and other postemployment benefits on pages 51 through 57 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinions on the basic financial statements are not affected by this missing information.

Prior-Year Comparative Information

We have previously audited the District's 2019 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated November 27, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The financial information listed in the table of contents as supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and schedule of expenditures of state awards are presented for purposes of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, are also not a required part of the basic financial statements.

The supplementary information and the schedule of expenditures of federal awards and schedule of expenditures of state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

Green Bay, Wisconsin
January 26, 2021

BASIC FINANCIAL STATEMENTS

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
STATEMENT OF NET POSITION
JUNE 30, 2020
(WITH COMPARATIVE FINANCIAL INFORMATION AS OF JUNE 30, 2019)**

	Governmental Activities	
	2020	2019
ASSETS		
Cash and Investments	\$ 41,395,640	\$ 6,349,441
Receivables:		
Taxes	2,445,857	2,003,232
Accounts	343,349	309,256
Due from Other Governments	283,815	255,683
Prepaid Items	28,851	20,539
Net Pension Asset	3,433,005	-
Capital Assets:		
Nondepreciable	4,774,185	44,000
Depreciable, Net	22,737,522	23,670,082
Total Assets	75,442,224	32,652,233
DEFERRED OUTFLOWS OF RESOURCES		
Loss on Advance Refunding	121,926	243,853
Pension Related Amounts	7,545,170	9,775,457
Other Postemployment Related Amounts	203,415	-
Total Deferred Outflows of Resources	7,870,511	10,019,310
LIABILITIES		
Accounts Payable	1,074,295	755,123
Accrued and Other Current Liabilities	1,055,269	1,194,399
Accrued Interest Payable	370,759	73,613
Unearned Revenues	-	800,000
Deposits Payable	352,408	345,348
Long-Term Obligations		
Due in One Year	3,040,751	1,465,000
Due in More Than One Year	45,407,629	9,259,653
Other Postemployment Benefits Liability	1,910,344	1,802,693
Net Pension Liability	867,415	4,636,823
Total Liabilities	54,078,870	20,332,652
DEFERRED INFLOWS OF RESOURCES		
Pension Related Amounts	10,432,312	5,401,202
Other Postemployment Related Amounts	140,984	-
Total Deferred Inflows of Resources	10,573,296	5,401,202
NET POSITION		
Net Investment in Capital Assets	20,839,350	17,886,909
Restricted	6,974,011	3,061,617
Unrestricted	(9,152,792)	(4,010,837)
Total Net Position	\$ 18,660,569	\$ 16,937,689

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2019)**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
					2020	2019
Governmental Activities:						
Instruction	\$ 17,777,118	\$ 1,705,580	\$ 2,170,871	\$ -	\$ (13,900,667)	\$ (14,211,703)
Support Services	10,754,464	203,671	595,603	-	(9,955,190)	(10,686,558)
Community Services	1,309,885	732,251	-	-	(577,634)	(335,723)
Nonprogram	590,752	-	67,722	-	(523,030)	(555,662)
Interest and Fiscal Charges	1,810,057	-	-	-	(1,810,057)	(554,629)
Depreciation - Unallocated	1,132,490	-	-	-	(1,132,490)	(1,148,806)
Total Governmental Activities	<u>\$ 33,374,766</u>	<u>\$ 2,641,502</u>	<u>\$ 2,834,196</u>	<u>\$ -</u>	(27,899,068)	(27,493,081)
GENERAL REVENUES						
Property Taxes					22,399,923	21,653,655
Other Taxes					5,888	5,888
State and Federal Aids not Restricted to Specific Functions					6,104,793	6,377,661
Interest and Investment Earnings					388,122	152,058
Miscellaneous					723,222	510,454
Total General Revenues					<u>29,621,948</u>	<u>28,699,716</u>
CHANGE IN NET POSITION					1,722,880	1,206,635
Net Position - Beginning of Year					<u>16,937,689</u>	<u>15,731,054</u>
NET POSITION - END OF YEAR					<u>\$ 18,660,569</u>	<u>\$ 16,937,689</u>

See accompanying Notes to Basic Financial Statements.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2019)**

	General	Referendum Debt Service	Capital Projects
ASSETS			
Cash and Investments	\$ 2,765,872	\$ 1,775,830	\$ 36,349,315
Receivables:			
Taxes	653,984	1,516,873	275,000
Accounts	302,166	-	-
Due from Other Governments	238,957	-	-
Prepaid Items	25,777	-	-
Total Assets	\$ 3,986,756	\$ 3,292,703	\$ 36,624,315
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 126,164	\$ -	\$ 833,898
Accrued and Other Current Liabilities	1,039,532	-	-
Deposits Payable	352,408	-	-
Total Liabilities	1,518,104	-	833,898
FUND BALANCES			
Nonspendable	25,777	-	-
Restricted	-	3,292,703	35,790,417
Committed	-	-	-
Unassigned	2,442,875	-	-
Total Fund Balances	2,468,652	3,292,703	35,790,417
Total Liabilities and Fund Balances	\$ 3,986,756	\$ 3,292,703	\$ 36,624,315

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
JUNE 30, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2019)**

	Other Governmental Funds	<u>Totals</u>	
		<u>2020</u>	<u>2019</u>
ASSETS			
Cash and Investments	\$ 504,623	\$ 41,395,640	\$ 6,349,441
Receivables:			
Taxes	-	2,445,857	2,003,232
Accounts	41,183	343,349	309,256
Due from Other Governments	44,858	283,815	255,683
Prepaid Items	3,074	28,851	20,539
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 593,738</u>	<u>\$ 44,497,512</u>	<u>\$ 8,938,151</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 114,233	\$ 1,074,295	\$ 755,123
Accrued and Other Current Liabilities	15,737	1,055,269	1,194,399
Deposits Payable	-	352,408	1,145,348
Total Liabilities	<u>129,970</u>	<u>2,481,972</u>	<u>3,094,870</u>
FUND BALANCES			
Nonspendable	-	25,777	20,539
Restricted	386,551	39,469,671	3,135,230
Committed	77,217	77,217	47,017
Unassigned	-	2,442,875	2,640,495
Total Fund Balances	<u>463,768</u>	<u>42,015,540</u>	<u>5,843,281</u>
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 593,738</u>	<u>\$ 44,497,512</u>	<u>\$ 8,938,151</u>

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
RECONCILIATION TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
JUNE 30, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2019)**

	2020	2019
Total Fund Balances as Shown on Previous Page	\$ 42,015,540	\$ 5,843,281
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	27,511,707	23,714,082
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.		
Loss on Advance Refunding	121,926	243,853
Deferred Outflows Related to Pensions	7,545,170	9,775,457
Deferred Inflows Related to Pensions	(10,432,312)	(5,401,202)
Deferred Outflows Related to Other Postemployment Benefits	203,415	-
Deferred Inflows Related to Other Postemployment Benefits	(140,984)	-
Long-term asset are not considered available; therefore, are not reported in the funds:		
Net Pension Asset	3,433,005	-
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Bonds and Notes Payable	(45,940,000)	(10,480,000)
Debt Premium	(2,445,378)	(193,386)
Compensated Absences	(63,002)	(51,267)
Other Postemployment Benefits Liability (Asset)	(1,910,344)	(1,802,693)
Net Pension Liability	(867,415)	(4,636,823)
Accrued Interest on Long-Term Obligations	(370,759)	(73,613)
Net Position of Governmental Activities as Reported on the Statement of Net Position (see Page 4)	\$ 18,660,569	\$ 16,937,689

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2019)**

	<u>General</u>	<u>Referendum Debt Service</u>	<u>Capital Projects</u>
REVENUES			
Property Taxes	\$ 16,641,638	\$ 3,777,937	\$ 275,000
Other Local Sources	879,253	41,037	287,082
Interdistrict Sources	1,118,098	-	-
Intermediate Sources	589	-	-
State Sources	7,917,491	-	-
Federal Sources	608,339	-	-
Other Sources	125,909	-	-
Total Revenues	<u>27,291,317</u>	<u>3,818,974</u>	<u>562,082</u>
EXPENDITURES			
Instruction:			
Regular Instruction	12,966,740	-	-
Vocational Instruction	148,371	-	-
Special Education Instruction	3,194,056	-	-
Other Instruction	1,157,043	-	-
Total Instruction	<u>17,466,210</u>	<u>-</u>	<u>-</u>
Support Services:			
Pupil Services	1,547,510	-	-
Instructional Staff Services	1,404,838	-	-
General Administration Services	605,495	-	-
School Administration Services	1,317,754	-	-
Business Services	589,913	-	-
Operations and Maintenance of Plant	2,775,963	-	4,772,674
Pupil Transportation Services	217,358	-	-
Food Services	-	-	-
Central Services	470,200	-	-
Insurance	396,245	-	-
Other Support Services	46,461	-	-
Total Support Services	<u>9,371,737</u>	<u>-</u>	<u>4,772,674</u>
Debt Service:			
Principal	-	4,205,000	-
Payment to Advance Escrow Agent	-	-	-
Interest and Fiscal Charges	55,000	1,364,790	-
Total Debt Service	<u>55,000</u>	<u>5,569,790</u>	<u>-</u>
Community Service	-	-	-

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2019)**

	Other Governmental Funds	Totals	
		2020	2019
REVENUES			
Property Taxes	\$ 1,705,348	\$ 22,399,923	\$ 21,653,655
Other Local Sources	1,458,502	2,665,874	2,778,888
Interdistrict Sources	-	1,118,098	1,007,111
Intermediate Sources	-	589	2,461
State Sources	5,180	7,922,671	8,454,589
Federal Sources	256,243	864,582	986,243
Other Sources	-	125,909	84,770
Total Revenues	<u>3,425,273</u>	<u>35,097,646</u>	<u>34,967,717</u>
EXPENDITURES			
Instruction:			
Regular Instruction	118,167	13,084,907	13,041,246
Vocational Instruction	1,992	150,363	119,703
Special Education Instruction	-	3,194,056	3,011,449
Other Instruction	<u>130,778</u>	<u>1,287,821</u>	<u>1,435,285</u>
Total Instruction	250,937	17,717,147	17,607,683
Support Services:			
Pupil Services	33,850	1,581,360	1,440,699
Instructional Staff Services	128,339	1,533,177	1,665,182
General Administration Services	179,126	784,621	654,841
School Administration Services	-	1,317,754	1,270,867
Business Services	29,754	619,667	650,497
Operations and Maintenance of Plant	675,760	8,224,397	4,309,467
Pupil Transportation Services	14,206	231,564	208,126
Food Services	388,264	388,264	486,242
Central Services	-	470,200	463,755
Insurance	17,116	413,361	266,344
Other Support Services	-	46,461	117,817
Total Support Services	<u>1,466,415</u>	<u>15,610,826</u>	<u>11,533,837</u>
Debt Service:			
Principal	335,000	4,540,000	1,097,804
Payment to Advance Escrow Agent	-	-	2,712,196
Interest and Fiscal Charges	<u>110,373</u>	<u>1,530,163</u>	<u>571,958</u>
Total Debt Service	445,373	6,070,163	4,381,958
Community Service	1,327,670	1,327,670	1,392,842

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2019)**

	<u>General</u>	<u>Referendum Debt Service Fund</u>	<u>Capital Projects</u>
EXPENDITURES (CONTINUED)			
Nonprogram:			
General Tuition Payments	\$ 399,790	\$ -	\$ -
Special Education Tuition Payments	182,088	-	-
Adjustments and Refunds	8,874	-	-
Total Nonprogram	<u>590,752</u>	<u>-</u>	<u>-</u>
 Total Expenditures	 <u>27,483,699</u>	 <u>5,569,790</u>	 <u>4,772,674</u>
 Excess of Revenues Over (Under) Expenditures	 (192,382)	 (1,750,816)	 (4,210,592)
OTHER FINANCING SOURCES (USES)			
Long-Term Debt Issued	-	-	40,000,000
Premium on Debt Issued	-	2,391,171	-
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>2,391,171</u>	<u>40,000,000</u>
 NET CHANGE IN FUND BALANCES	 (192,382)	 640,355	 35,789,408
 Fund Balances - Beginning of Year	 <u>2,661,034</u>	 <u>2,652,348</u>	 <u>1,009</u>
 FUND BALANCES - END OF YEAR	 <u>\$ 2,468,652</u>	 <u>\$ 3,292,703</u>	 <u>\$ 35,790,417</u>

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2019)**

	Other Governmental Funds	Totals	
		2020	2019
EXPENDITURES (CONTINUED)			
Nonprogram:			
General Tuition Payments	\$ -	\$ 399,790	\$ 462,405
Special Education Tuition Payments	-	182,088	225,189
Adjustments and Refunds	-	8,874	483
Total Nonprogram	<u>-</u>	<u>590,752</u>	<u>688,077</u>
 Total Expenditures	 <u>3,490,395</u>	 <u>41,316,558</u>	 <u>35,604,397</u>
 Excess of Revenues Over (Under) Expenditures	 (65,122)	 (6,218,912)	 (636,680)
OTHER FINANCING SOURCES (USES)			
Long-Term Debt Issued	-	40,000,000	-
Premium on Debt Issued	-	2,391,171	-
Transfers In	-	-	15,436
Transfers Out	-	-	(15,436)
Total Other Financing Sources (Uses)	<u>-</u>	<u>42,391,171</u>	<u>-</u>
 NET CHANGE IN FUND BALANCES	 (65,122)	 36,172,259	 (636,680)
 Fund Balances - Beginning of Year	 <u>528,890</u>	 <u>5,843,281</u>	 <u>6,479,961</u>
 FUND BALANCES - END OF YEAR	 <u>\$ 463,768</u>	 <u>\$ 42,015,540</u>	 <u>\$ 5,843,281</u>

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
RECONCILIATION TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2019)**

	<u>2020</u>	<u>2019</u>
Net Change in Fund Balances as Shown on Previous Page	\$ 36,172,259	\$ (636,680)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital Assets Reported as Capital Outlay Reported in Governmental Fund Statements	4,930,115	715,812
Depreciation Expense Reported in the Statement of Activities	(1,132,490)	(1,148,806)
Net Book Value of Disposals		(4,515)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Long-Term Debt Issued	(40,000,000)	-
Premium on Debt Issued	(2,391,171)	
Principal Repaid	4,540,000	3,810,000
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Accrued Interest on Long-Term Debt	(297,146)	32,545
Amortization of Premiums, Discounts and Loss on Advance Refunding	17,252	(15,216)
Compensated Absences	(11,735)	146,581
Net Pension Liability (Asset)	7,202,413	(6,992,407)
Deferred Outflows of Resources Related to Pensions	(2,230,287)	4,526,812
Deferred Inflows of Resources Related to Pensions	(5,031,110)	1,005,145
Other Postemployment Benefits	(107,651)	(232,636)
Deferred Outflows of Resources Related to Other Postemployment Benefits	203,415	-
Deferred Inflows of Resources Related to Other Postemployment Benefits	(140,984)	-
Change in Net Position of Governmental Activities as Reported in the Statement of Activities (see Page 5)	<u>\$ 1,722,880</u>	<u>\$ 1,206,635</u>

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2019)**

	Private	Employee	Agency	Totals	
	Purpose Trust	Benefit Trust	Pupil Activity	2020	2019
ASSETS					
Cash and Investments	\$ 2,156,621	\$ 8,093,648	\$ 130,470	\$ 10,380,739	\$ 10,340,432
Accounts Receivable	900	-	9,424	10,324	14,670
Total Assets	<u>2,157,521</u>	<u>8,093,648</u>	<u>139,894</u>	<u>10,391,063</u>	<u>10,355,102</u>
LIABILITIES					
Accounts Payable	2,630	301,102	3,803	307,535	273,051
Other Deposits Payable	-	-	3,597	3,597	3,597
Due to Parent Organizations	-	-	24,441	24,441	31,623
Due to Student Organizations	-	-	108,053	108,053	81,096
Total Liabilities	<u>2,630</u>	<u>301,102</u>	<u>139,894</u>	<u>443,626</u>	<u>389,367</u>
NET POSITION					
Restricted	<u>\$ 2,154,891</u>	<u>\$ 7,792,546</u>	<u>\$ -</u>	<u>\$ 9,947,437</u>	<u>\$ 9,965,735</u>

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2019)**

	Private Purpose Trust	Employee Benefit Trust	Totals	
			2020	2019
ADDITIONS				
Other Local Sources	\$ 43,089	\$ -	\$ 43,089	\$ 846,778
Contributions:				
Employer	-	124,967	124,967	293,570
Investment Earnings	127,729	145,815	273,544	187,072
Total Additions	170,818	270,782	441,600	1,327,420
DEDUCTIONS				
Trust Fund Disbursements	122,113	331,531	453,644	681,147
Administrative Expenditures	-	6,254	6,254	2,097
Total Deductions	122,113	337,785	459,898	683,244
CHANGE IN NET POSITION	48,705	(67,003)	(18,298)	644,176
Net Position - Beginning of Year	2,106,186	7,859,549	9,965,735	9,321,559
NET POSITION - END OF YEAR	<u>\$ 2,154,891</u>	<u>\$ 7,792,546</u>	<u>\$ 9,947,437</u>	<u>\$ 9,965,735</u>

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

B. Government-Wide and Fund Financial Statements

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

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

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The District reports the following major governmental funds:

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

Referendum Debt Service Fund – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt related to referendum projects.

Capital Projects Fund – This fund accounts for the expenditures related to the recently passed referendum.

Additionally, the District reports the following fund types:

- The private purpose trust fund is used to account for resources legally held in trust for scholarship awards. Only earnings on the invested resources may be used to support the scholarships.
- The employee benefit trust fund is used to account for resources legally held in trust for other postemployment benefits.
- The District accounts for assets held as an agent for various student and parent organizations in an agency fund.

C. Measurement Focus and Basis of Accounting

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

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

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

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

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

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

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

1. Cash and Investments

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Property Taxes

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

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

3. Accounts Receivable

Accounts receivable are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

4. Interfund Receivables and Payables

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

5. Prepaid Items

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

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

6. Capital Assets

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

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

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

Assets	Governmental Activities
Land Improvements	20 Years
Buildings and Improvements	50 Years
Machinery and Equipment	5 - 20 Years

7. Compensated Absences

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

8. Deferred Outflows/Inflows of Resources

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

9. Long-Term Obligations

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

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

10. Pensions

Wisconsin Retirement System

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, 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.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. Pensions (Continued)

Supplemental Pension Plan

Qualifying teachers and administrators are provided with a supplemental pension. The supplemental pension is a single employer defined benefit plan administered by the District. For purposes of measuring the supplemental pension liability, related deferred outflows and inflows and pension expense, the District has used values provided by their actuary. Benefit payments are recognized when due and payable in accordance with the benefit terms.

11. Other Postemployment Benefits Other Than Pensions (OPEB)

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

12. Fund Equity

Governmental Fund Financial Statements

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

- **Nonspendable Fund Balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- **Restricted Fund Balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- **Committed Fund Balance.** Amounts that are constrained for specific purposes by action of the Board of Education. These constraints can only be removed or changed by the Board of Education using the same action that was used to create them.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

12. Fund Equity (Continued)

Governmental Fund Financial Statements (Continued)

- **Assigned Fund Balance.** Amounts that are constrained for specific purposes by action of District management. The Board of Education has not authorized a specific employee to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- **Unassigned Fund Balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

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

District-Wide Financial Statements

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

- **Net investment in Capital Assets.** Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- **Restricted Net Position.** Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position.** Net position that is neither classified as restricted nor as net investment in capital assets.

E. Use of Estimates

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Prior Year Information

Comparative amounts for the prior year have been presented in the basic financial statements to provide an understanding of changes in the District's financial position and operations. The comparative amounts may be summarized in total and not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended June 30, 2019, from which the summarized information was derived.

G. Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform with the presentation in the current year financial statements with no change in previously reported net position, changes in net position, fund balance, or changes in fund balance.

NOTE 2 DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

The debt service funds account for their transactions through separate and distinct bank and investment accounts as required by State Statutes. In addition, the agency fund uses separate and distinct accounts. All other funds share in common bank and investment accounts.

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state, and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

The carrying amount of the District's cash and investments totaled \$51,776,379 on June 30, 2020 as summarized below:

Petty Cash and Cash on Hand	\$ 200
Deposits with Financial Institutions	27,631,430
Investments:	
Wisconsin Investment Series Cooperative (WISC):	
Cash Management Series	(754,158)
Investment Series	10,685,159
Limited Term Duration	4,077,505
Common Stock	243,524
Exchange Traded Funds	863,984
Mutual Funds - Fixed Income	357,079
Money Market Mutual Funds	9,525
Mutual Funds - Equities	568,482
Annuity Contract	8,093,649
Total	<u>\$ 51,776,379</u>

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 41,395,640
Fiduciary Fund Statement of Net Position:	
Private Purpose Trust	2,156,621
Employee Benefit Trust	8,093,648
Agency Fund - Pupil Activity	130,470
Total	<u>\$ 51,776,379</u>

The investment balance of the WISC Cash Management Series is \$126,524. The difference between book balance of (\$754,158) and investment balance of \$126,524 is outstanding checks drawn on the Cash Management Series at year end.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The District has the following fair value measurements as of June 30, 2020:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments:			
Common Stock	\$ 243,524	\$ -	\$ -
Exchange Traded Funds	863,984	-	-
Mutual Funds - Fixed Income	357,079	-	-
Money Market Mutual Funds	9,525	-	-
Mutual Funds - Equities	568,482	-	-
Total	\$ 2,042,594	\$ -	\$ -

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

Custodial Credit Risk

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

Deposits with financial institutions within the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the state of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Custodial Credit Risk (Continued)

Also, the state of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of June 30, 2020, none of the District's deposits with financial institutions were in excess of federal and state depository insurance limits.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin Statutes limit investment in securities to the top two ratings assigned by nationally recognized statistical rating organizations. Presented below is the actual rating as of the year-end for each investment type.

Investment Type	Amount	Exempt from Disclosure	AAA	Aa	Not Rated
Mutual Funds - Fixed Income	\$ 357,079	\$ -	\$ -	\$ 357,079	\$ -
Money Market Mutual Funds	9,525	-	-	-	9,525
Wisconsin Investment Series Cooperative (WISC):					
Cash Management Series	126,524	-	126,524	-	-
Investment Series	10,685,159	-	10,685,159	-	-
Limited Term Duration Series	4,077,505	-	4,077,505	-	-
Totals	<u>\$ 15,255,792</u>	<u>\$ -</u>	<u>\$ 14,889,188</u>	<u>\$ 357,079</u>	<u>\$ 9,525</u>

Concentration of Credit Risk

At June 30, 2020, the District had no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total District investments.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Interest Rate Risk (Continued)

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

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Mutual Funds - Fixed Income	\$ 357,079	\$ -	\$ 357,079	\$ -	\$ -
Money Market Mutual Funds	9,525	9,525	-	-	-
Wisconsin Investment Series Cooperative (WISC):					
Cash Management Series	126,524	126,524	-	-	-
Investment Series	10,685,159	10,685,159	-	-	-
Limited Term Duration Series	4,077,505	4,077,505	-	-	-
Totals	<u>\$ 15,255,792</u>	<u>\$ 14,898,713</u>	<u>\$ 357,079</u>	<u>\$ -</u>	<u>\$ -</u>

Investments

The District has established an employee benefit trust fund to pay retiree's postretirement benefits. The trust has \$8,083,649 invested in the fixed interest annuities, which are reported at amortized cost, with American United Life Insurance Company® (AUL), a OneAmerica® Company. These fixed interest annuities are backed by AUL's general account assets. AUL bears the investment risk for the AUL Fixed Interest Account values and for paying interest.

Investment in Wisconsin Investment Series Cooperation

The District has investments in the Wisconsin Investment Series Cooperative (WISC) of \$14,889,188 at year-end consisting of \$126,524 invested in the Cash Management Series, \$10,685,159 invested in the Investment Series and \$4,077,505 invested in the Limited Term Duration Series. The book value of the Cash Management Series is (\$754,158). The Cash Management Series has no minimum investment period, allows check writing privileges, and the average dollar weighted maturity is ninety (90) days or less. The Investment Series requires a 14-day minimum investment period and one business day withdrawal notice, and the average dollar weighted maturity is one hundred twenty (120) days or less. The Limited Term Duration Series requires a 30-day notice for quarterly withdrawals based on predetermined withdrawal dates.

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Nondepreciable:				
Land	\$ 44,000	\$ -	\$ -	\$ 44,000
Construction in Progress	-	4,730,185	-	4,730,185
Total Capital Assets, Nondepreciable	44,000	4,730,185	-	4,774,185
Capital Assets, Depreciable:				
Land Improvements	7,173,398	-	-	7,173,398
Buildings and Improvements	32,179,432	111,438	-	32,290,870
Machinery and Equipment	6,630,615	88,492	-	6,719,107
Subtotals	45,983,445	199,930	-	46,183,375
Less Accumulated Depreciation for:				
Land Improvements	2,673,265	353,725	-	3,026,990
Buildings and Improvements	13,837,866	584,867	-	14,422,733
Machinery and Equipment	5,802,232	193,898	-	5,996,130
Subtotals	22,313,363	1,132,490	-	23,445,853
Total Capital Assets, Depreciable, Net	23,714,082	(932,560)	-	22,737,522
Governmental Activities Capital Assets, Net	\$ 23,758,082	\$ 3,797,625	\$ -	27,511,707
Less: Capital Related Debt				5,585,685
Less: Capital Related Accounts and Retainage Payable				833,898
Less: Debt Premium				374,700
Add: Loss on Advance Refunding				121,926
Net Investment in Capital Assets				\$ 20,839,350

The District's capital assets are shared by many governmental functions. Accordingly, it was not considered practical to allocate depreciation expense.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Short-Term Obligations

The District issued tax and revenue anticipation promissory notes in advance of property tax collections. The notes are needed because District expenses for the year begin in July whereas tax collections are not received until January. Short-term debt activity for the year ended June 30, 2020 was as follows:

	Outstanding 7/1/19	Issued	Retired	Outstanding 6/30/20
Tax and Revenue Anticipation Notes	\$ -	\$ 5,000,000	\$ 5,000,000	\$ -

Total interest paid for the year on short-term debt totaled \$55,000.

In October, 2020, the District issued \$4,700,000 of Tax and Revenue Anticipation Notes to be repaid in January, 2021.

D. Long-Term Obligations

The following is a summary of changes in long-term obligations of the District for the year ended June 30, 2020:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Debt:					
Bonds	\$ 10,040,000	\$ 40,000,000	\$ 4,100,000	\$ 45,940,000	\$ 3,025,000
Notes	440,000	-	440,000	-	-
Total General Obligation Debt	10,480,000	40,000,000	4,540,000	45,940,000	3,025,000
Debt Premium	193,386	2,391,171	139,179	2,445,378	-
Compensated Absences	51,267	86,425	74,690	63,002	15,751
Governmental Activities Long-Term Obligations	<u>\$ 10,724,653</u>	<u>\$ 42,477,596</u>	<u>\$ 4,753,869</u>	<u>\$ 48,448,380</u>	<u>\$ 3,040,751</u>

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

Total interest paid during the year on long-term debt totaled \$1,285,161.

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 6/30/20
General Obligation Bonds	07/19/11	10/01/26	2.00-4.60%	\$ 3,595,000	\$ 265,000
General Obligation Bonds	09/27/11	10/01/31	2.00-4.30%	5,060,000	240,000
General Obligation Bonds	02/01/13	10/01/28	2.00-2.20%	5,515,000	4,745,000
General Obligation Bonds	04/01/15	10/01/35	3.00-3.95%	5,055,000	3,765,000
School Improvement Bonds	07/01/19	04/01/39	3.00-4.00%	40,000,000	36,925,000
Total Outstanding General Obligation Debt					<u>\$ 45,940,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$45,940,000 on June 30, 2020 are detailed below:

<u>Year Ended June 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 3,025,000	\$ 1,477,784	\$ 4,502,784
2022	2,370,000	1,382,659	3,752,659
2023	2,890,000	1,313,885	4,203,885
2024	2,125,000	1,232,335	3,357,335
2025	2,340,000	1,173,836	3,513,836
2026-2030	13,205,000	4,853,357	18,058,357
2031-2034	10,420,000	2,432,612	12,852,612
2035-2039	9,565,000	728,100	10,293,100
Total	<u>\$ 45,940,000</u>	<u>\$ 14,594,568</u>	<u>\$ 60,534,568</u>

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

Legal Margin for New Debt

The District's legal margin for creation of additional general obligation debt on June 30, 2020 was \$129,248,529 as follows:

Equalized Valuation of the District	\$ 1,751,885,292
Statutory Limitation Percentage	<u>10%</u>
General Obligation Debt Limitation, Per Section 67.03 of the Wisconsin Statutes	175,188,529
Total Outstanding General Obligation Debt Applicable to Debt Limitation	<u>\$ 45,940,000</u>
Legal Margin for New Debt	<u><u>\$ 129,248,529</u></u>

Advance Refunding

In prior years, the District advance refunded \$4,910,000 of the 2011 and 2015 general obligation bond issues. As a result, the refunded bonds are also considered to be defeased and the liability has been removed from the financial statements. At June 30, 2020, \$4,910,000 of outstanding general obligation bonds are considered defeased.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans

The District reports pension related balances as of and for the year ended June 30, 2020, as summarized below:

	Net Pension Asset	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Expense
Wisconsin Retirement System (WRS)	\$ 3,433,005	\$ -	\$ 7,502,475	\$ 10,306,732	\$ 1,264,809
Supplemental or Stipend Pension Plan	-	867,415	42,695	125,580	87,721
Total	<u>\$ 3,433,005</u>	<u>\$ 867,415</u>	<u>\$ 7,545,170</u>	<u>\$ 10,432,312</u>	<u>\$ 1,352,530</u>

1. WRS Pension 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 Comprehensive Annual Financial Report (CAFR), which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and executive service retirement plan participants if hired on or before December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service. The factors influencing the benefit are 1) final average earnings, 2) years of creditable service, and 3) a formula factor.

Final average earnings is 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.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans (Continued)

1. WRS Pension Plan Description (Continued)

Vested participants may retire at or after age 55 (50 for protective occupation employees) 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.

Postretirement 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:

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2010	-1.3%	22.0%
2011	-1.2%	11.0%
2012	-7.0%	-7.0%
2013	-9.6%	9.0%
2014	4.7%	25.0%
2015	2.9%	2.0%
2016	0.5%	-5.0%
2017	2.0%	4.0%
2018	2.4%	17.0%
2019	0.0%	-10.0%

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans (Continued)

1. WRS Pension Plan Description (Continued)

Contributions

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

During the year ending June 30, 2020, the WRS recognized \$1,158,333 in contributions from the District.

Contribution rates for the reporting period are:

	Employee	Employer
General (Including Teachers, Executives, and Elected Officials)	6.75%	6.75%
Protective with Social Security	6.75%	11.65%
Protective without Social Security	6.75%	16.25%

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the District reported an asset of \$3,433,005 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension asset was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2019, the District's proportion was 0.10646772%, which was an increase of 0.00017512% from its proportion measured as of December 31, 2018.

For the year ended June 30, 2020, the District recognized pension expense of \$1,264,809.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans (Continued)

1. WRS Pension Plan Description (Continued)

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

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 6,516,629	\$ 3,261,136
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	7,018,283
Changes in Assumptions	267,522	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	6,978	27,313
Employer Contributions Subsequent to the Measurement Date	711,346	-
Total	<u>\$ 7,502,475</u>	<u>\$ 10,306,732</u>

\$711,346 reported as deferred outflows related to pension resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Expense</u>
2021	\$ (1,054,757)
2022	(779,983)
2023	123,117
2024	(1,803,980)
Total	<u>\$ (3,515,603)</u>

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans (Continued)

1. WRS Pension Plan Description (Continued)

Actuarial Assumptions

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

Actuarial Valuation Date:	December 31, 2018
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	Wisconsin 2018 Mortality Table
Postretirement Adjustments*	1.9%

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

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans (Continued)

1. WRS Pension Plan Description (Continued)

Actuarial Assumptions (Continued)

Long-Term Expected Return on Plan Assets – The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Core Fund Asset Class:			
Global Equities	49.0%	8.0%	5.1%
Fixed Income	24.5	4.9%	2.1%
Inflation Sensitive Assets	15.5	4.0%	1.2%
Real Estate	9.0	6.3%	3.5%
Private Equity/Debt	8.0	10.6%	7.6%
Multi-Asset	4.0	6.9%	4.0%
Cash	-10.0	0.9%	N/A
Total Core Fund	100.0%	7.5%	4.6%
Variable Fund Asset Class:			
U.S. Equities	70.0%	7.5%	4.6%
International Equities	30.0	8.2%	5.3%
Total Variable Fund	100.0%	7.8%	4.9%

New England Pension Consultants Long-Term US CPI (Inflation) Forecast: 2.75%

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans (Continued)

1. WRS Pension Plan Description (Continued)

Actuarial Assumptions (Continued)

Single Discount Rate – A single discount rate of 7.00% was used to measure the total pension liability for the current and prior year. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a long-term bond rate of 2.75% (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, 2019. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax exempt securities.). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan members contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of The District’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate – The following presents the District’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00%, as well as what the District’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
District’s Proportionate Share of the Net Pension Liability (Asset)	\$ 8,840,602	\$ (3,433,005)	\$ (12,608,938)

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>.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans (Continued)

1. WRS Pension Plan Description (Continued)

Payable to the Pension Plan

At June 30, 2020, the District reported a payable of \$400,105 for the outstanding amount of contributions to the pension plan for the year ended June 30, 2020.

2. Supplemental or Stipend Pension Plan

Pension Description

The plan, a single-employer pension plan, is a defined benefit pension plan established to provide a cash stipend to some retirees. The plan is administered by the District. No assets are accumulated in a trust. The Plan does not issue separate financial statements.

Benefits Provided

A summary of eligibility requirements and plan benefits follows:

Administrators retiring on or after July 1, 2014 who were at least age 55 (if hired prior to July 1, 2007) or 57 (if hired on or after July 1, 2007) will receive a lump-sum payment in cash upon retirement equal to one week of pay per year of service, not to exceed 25 years of service.

Teachers retiring on or after July 1, 2014 who were at least age 57 will receive a lump-sum payment in cash upon retirement equal to the sum of the following: the daily rate of pay times years of services plus a flat dollar amount based on years of services: 15-24 years \$1,000, 25-29 years \$2,000, 30-34 years \$3,000, and more than 35 years \$3,500.

Employees Covered by Benefit Terms

At June 30, 2019, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently		
Receiving Benefit Payments		6
Active Employees		188
Total		194

Funding Policy

The entire cost of these benefits is paid by the District. Benefits are currently funded on a pay-as-you-go basis and no assets exist to prefund retiree benefits.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans (Continued)

2. Supplemental or Stipend Pension Plan (Continued)

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions

Component	Amount
Total Pension Liability at July 1, 2019	\$ 855,266
Changes for the Year:	
Service Cost	67,579
Interest	29,040
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	(2,258)
Changes of Assumptions or Other Input	36,497
Benefit Payments	(118,709)
Net Changes	12,149
Total Pension Liability at June 30, 2020	\$ 867,415

For the year ended June 30, 2020, the District recognized pension expense of \$87,721.

At June 30, 2020, the District reported deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 74,218
Changes in Assumptions	42,695	51,362
Total	\$ 42,695	\$ 125,580

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans (Continued)

2. Supplemental or Stipend Pension Plan (Continued)

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

Amounts reported as deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Expense</u>
2021	\$ (8,898)
2022	(8,898)
2023	(8,898)
2024	(8,898)
2025	(8,898)
Thereafter	(38,395)
Total	<u>\$ (82,885)</u>

Actuarial Assumptions

The District's total pension liability was measured as of June 30, 2020.

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

Valuation Date	June 30, 2019
Actuarial Cost Method	Individual Entry Age Normal
Amortization Method	Level Percentage of Salary, Open Basis
Actuarial Assumptions:	
Discount Rate	2.25%
Inflation	2.00%

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from 2015 to 2017. The total pension liability for June 30, 2020 is based upon a roll-forward of the liability calculated from the June 30, 2019 actuarial valuation.

Mortality assumptions are based on the Wisconsin 2018 Mortality Table adjustment 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 pension liability. This single discount rate was based on the Bond Buyer 20-Bond GO Index.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans (Continued)

2. Supplemental or Stipend Pension Plan (Continued)

Actuarial Assumptions (Continued)

Sensitivity of the District's Total Pension Liability to Changes in the Discount Rate – The following presents the District's total pension liability at June 30, 2020 calculated using the discount rate of 2.25%, as well as what the District's total 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.

	1% Decrease to Discount Rate (1.25%)	Current Discount Rate (2.25%)	1% Increase to Discount Rate (3.25%)
Total Pension Liability	\$ 913,339	\$ 867,415	\$ 822,577

Payable to the Supplemental Pension Plan

At June 30, 2020, the District reported a payable of \$-0- for the outstanding amount of contributions to the Plan required for the year ended June 30, 2020.

F. Other Postemployment Benefits

Plan Description

The Plan is a single-employer defined benefit postemployment health plan that covers retired employees of the District. Eligible retired employees have access to group medical coverage through the District's group plan. District paid medical benefits are paid for as indicated below. All employees of the District are eligible for the Plan if they meet the following age and service requirements below.

Benefits Provided

The District provides medical (including prescription drugs) coverage for retired employees through the District's self-insured plans.

Employees Covered by Benefit Terms

At June 30, 2019, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments		19
Active Employees		189
Total		208

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

Contributions

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

Net OPEB Liability

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

Actuarial Assumptions – The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	2.00%
Salary Increases:	3.00%
Investment Rate of Return:	2.25%
Healthcare Cost Trend Rates:	7.50% Decreasing by 0.50% Per Year Down to 6.50%, Then by 0.10% Per Year Down to 5.0% and Level Thereafter

Mortality rates are the same as those used in the December 2018 Wisconsin Retirement System's annual report.

The actuarial assumptions used in the June 30, 2019 valuation were based on the "Wisconsin Retirement System 2015 - 2017 Experience Study."

The long-term expected rate of return on OPEB plan investments was valued at 2.25%. A blend of expected earnings on District funds and the current yield for 20-year tax-exempt AA Municipal bond rate or higher as of the measurement date was used for all years of benefit payments.

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2019	\$ 1,925,420	\$ 122,727	\$ 1,802,693
Changes for the Year:			
Service Cost	141,192	-	141,192
Interest	67,502	-	67,502
Differences Between Expected and Actual Experience	(155,082)	-	(155,082)
Contributions - Employer	-	134,783	(134,783)
Changes in Assumptions or Other Input	195,370	-	195,370
Net Investment Income	-	6,548	(6,548)
Benefit Payments	(134,783)	(134,783)	-
Net Changes	<u>114,199</u>	<u>6,548</u>	<u>107,651</u>
Balance at June 30, 2020	<u>\$ 2,039,619</u>	<u>\$ 129,275</u>	<u>\$ 1,910,344</u>

OPEB Expense

For the year ended June 30, 2020, the District recognized OPEB expense of \$211,264.

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 140,984
Changes in Assumptions	202,581	-
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	834	-
Total	<u>\$ 203,415</u>	<u>\$ 140,984</u>

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

OPEB Expense (Continued)

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

<u>Year Ended June 30,</u>	<u>Expense</u>
2021	6,865
2022	6,865
2023	6,867
2024	5,989
2025	6,438
Thereafter	29,407
Total	<u>\$ 62,431</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the net OPEB liability of the District, as well as what the 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:

	<u>1% Decrease to Discount Rate (1.25%)</u>	<u>Current Discount Rate (2.25%)</u>	<u>1% Increase to Discount Rate (3.25%)</u>
Net OPEB Liability	\$ 2,031,263	\$ 1,910,344	\$ 1,794,412

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the net OPEB liability of the District, as well as what the District’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.50% decreasing to 4.0%) or 1-percentage-point higher (8.5% decreasing to 6.0%) than the current healthcare cost trend rates:

	<u>1% Decrease (6.5% Decreasing to 4.0%)</u>	<u>Healthcare Cost Trend Rates (7.5% Decreasing to 5.0%)</u>	<u>1% Increase (8.5% Decreasing to 6.0%)</u>
Net OPEB Liability	\$ 1,710,975	\$ 1,910,344	\$ 2,144,635

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

OPEB Expense (Continued)

OPEB Plan Fiduciary Net Position – Information about the OPEB plan’s fiduciary net position is presented in the Employee Benefit Trust Fund in these financial statements. The portion of net position in the Employee Benefit Trust Fund related to the District’s OPEB plan totals \$129,275 and which represents 6.34% of the total OPEB liability.

Investments – The Plan does not have a separate investment policy from the District. At June 30, 2020, the Plan asset allocation policy is to invest Plan assets in the fixed interest annuities with American United Life Insurance Company® (AUL), a OneAmerica® Company. These fixed interest annuities are backed by AUL’s general account assets. AUL bears the investment risk for the AUL Fixed Interest Account values and for paying interest. Plan investments have an expected rate of return of approximately 2.25%. For the year ended June 30, 2020, the annual money-weighted rate of return, net of investment expenses, was 0.33%, and this is assumed to be the best estimate of the long-term arithmetic rate of return for the Plan’s investments.

Payable to the OPEB Plan

At June 30, 2020, the District reported a payable of \$-0- for the outstanding amount of contribution to the Plan required for the year ended June 30, 2020.

G. Fund Equity

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At June 30, 2020, nonspendable fund balance was as follows:

	General
Nonspendable:	
Prepaid Items	\$ 25,777

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Fund Equity (Continued)

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At June 30, 2020, restricted fund balance was as follows:

Special Revenue Funds:		
Restricted for:		
Community Service	\$	298,543
Food Service		77,167
Debt Service Funds:		
Restricted for:		
Nonreferendum Debt Service		10,841
Referendum Debt Service		3,292,703
		<u> </u>
Capital Projects Fund:		
Restricted for:		
Capital Projects		35,790,417
		<u> </u>
Total Restricted Fund Balance	\$	<u><u>39,469,671</u></u>

Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by School Board action. At June 30, 2020, fund balance was committed as follows:

Special Revenue Funds:		
Committed for:		
Donations	\$	77,217
		<u><u> </u></u>

Minimum General Fund Balance Policy

The District has also adopted a minimum fund balance policy of 10 - 15% of subsequent year budgeted expenditures for the General Fund. The minimum fund balance is maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

Budgeted 2021 General Fund Expenditures	\$	25,146,014
Minimum Fund Balance %		10-15%
Minimum Fund Balance Amount		<u><u>\$2,514,601 - \$3,771,902</u></u>

The District's unassigned General Fund balance of \$2,442,875 is slightly beneath the minimum fund balance range.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Fund Equity (Continued)

Net Position

The District reports restricted net position at June 30, 2020 as follows:

Governmental Activities:

Restricted for:

Community Service	\$ 298,543
Food Service	77,167
Capital Projects	232,511
Debt Service	2,932,785
Pension Asset	<u>3,433,005</u>
Total Governmental Activities Restricted	<u> </u>
Net Position	<u><u>\$ 6,974,011</u></u>

NOTE 3 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The District completes an annual review of its insurance coverage to ensure adequate coverage.

B. Contingencies and Commitments

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

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

In April, 2019, District residents approved a \$65 million dollar referendum for District-wide facilities projects at all four District schools. During the current year, the District issued \$40 million of general obligation debt, with \$25 million to be issued subsequently. Construction commenced in Spring, 2020 with projected completion by Summer of 2023. As of June 30, 2020, the District has incurred \$4,730,185 of costs.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Limitation on School District Revenues

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

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

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

D. Upcoming Accounting Pronouncements

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The statement establishes criteria for identifying fiduciary activities and addresses financial reporting for these activities. This statement is effective for reporting periods beginning after December 15, 2019. The District is currently evaluating the impact this standard will have on the financial statements when adopted.

In June 2017, the GASB issued Statement No. 87, *Leases*. The statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. This statement is effective for reporting periods beginning after June 15, 2021. The District is currently evaluating the impact this standard will have on the financial statements when adopted.

E. COVID Risks and Uncertainties

During the District's fiscal year, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the District, COVID-19 may impact various parts of its 2020-2021 operations and financial results including, but not limited to, costs for emergency preparedness and shortages of personnel. The District experienced an unanticipated loss of 123 students due to the District's decision to start the year with virtual learning. Management believes the District is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events have continued to occur subsequent to year-end and are still developing.

REQUIRED SUPPLEMENTARY INFORMATION

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND – BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2020**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Property Taxes	\$ 16,642,638	\$ 16,642,638	\$ 16,641,638	\$ (1,000)
Other Local Sources	989,636	989,636	879,253	(110,383)
Interdistrict Sources	1,026,072	1,026,072	1,118,098	92,026
State Sources	6,877,827	6,946,683	6,957,007	10,324
Federal Sources	205,367	290,478	222,737	(67,741)
Other Sources	65,065	65,065	125,909	60,844
Total Revenues	<u>25,806,605</u>	<u>25,960,572</u>	<u>25,944,642</u>	<u>(15,930)</u>
EXPENDITURES				
Instruction:				
Regular Instruction	13,012,684	13,012,199	12,966,740	45,459
Vocational Instruction	145,804	145,804	148,371	(2,567)
Other Instruction	1,140,441	1,142,208	1,157,043	(14,835)
Total Instruction	<u>14,298,929</u>	<u>14,300,211</u>	<u>14,272,154</u>	<u>28,057</u>
Support Services:				
Pupil Services	1,097,260	1,108,759	1,097,996	10,763
Instructional Staff Services	1,036,639	1,239,496	1,146,175	93,321
General Administration Services	474,504	474,504	605,495	(130,991)
School Administration Services	1,279,910	1,279,910	1,317,754	(37,844)
Business Services	640,079	640,079	589,913	50,166
Operations and Maintenance of Plant	3,044,023	3,044,023	2,775,963	268,060
Pupil Transportation Services	72,200	72,200	185,019	(112,819)
Central Services	431,434	430,569	469,392	(38,823)
Insurance	424,336	424,336	396,245	28,091
Other Support Services	18,000	24,367	46,461	(22,094)
Total Support Services	<u>8,518,385</u>	<u>8,738,243</u>	<u>8,630,413</u>	<u>107,830</u>
Debt Service:				
Interest and Fiscal Charges	34,175	34,175	55,000	(20,825)
Total Debt Service	<u>34,175</u>	<u>34,175</u>	<u>55,000</u>	<u>(20,825)</u>
Community Service	-	-	-	-

See accompanying Notes to Required Supplementary Information.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND – BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

	Budget		Actual	Variance Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (CONTINUED)				
Nonprogram:				
General Tuition Payments	\$ 398,987	\$ 400,003	\$ 399,790	\$ 213
Total Expenditures	<u>23,250,476</u>	<u>23,472,632</u>	<u>23,357,357</u>	<u>115,275</u>
Excess of Revenues Over Expenditures	2,556,129	2,487,940	2,587,285	99,345
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(2,599,401)</u>	<u>(2,599,401)</u>	<u>(2,779,667)</u>	<u>(180,266)</u>
Total Other Financing Sources (Uses)	<u>(2,599,401)</u>	<u>(2,599,401)</u>	<u>(2,779,667)</u>	<u>(180,266)</u>
NET CHANGE IN FUND BALANCE	(43,272)	(111,461)	(192,382)	(80,921)
Fund Balance - Beginning of Year	<u>2,661,034</u>	<u>2,661,034</u>	<u>2,661,034</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 2,617,762</u></u>	<u><u>\$ 2,549,573</u></u>	<u><u>\$ 2,468,652</u></u>	<u><u>\$ (80,921)</u></u>

See accompanying Notes to Required Supplementary Information.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – SPECIAL EDUCATION SPECIAL REVENUE FUND –
BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2020**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Intermediate Sources	\$ 10,000	\$ 10,000	\$ 589	\$ (9,411)
State Sources	1,066,000	1,066,000	960,484	(105,516)
Federal Sources	521,769	521,769	385,602	(136,167)
Other Sources	-	-	-	-
Total Revenues	<u>1,597,769</u>	<u>1,597,769</u>	<u>1,346,675</u>	<u>(251,094)</u>
EXPENDITURES				
Instruction:				
Special Education Instruction	3,228,311	3,228,311	3,194,056	34,255
Support Services:				
Pupil Services	423,854	459,540	449,514	10,026
Instructional Staff Services	251,181	251,181	258,663	(7,482)
Pupil Transportation Services	45,027	45,027	32,339	12,688
Central Services	2,500	2,500	808	1,692
Total Support Services	<u>722,562</u>	<u>758,248</u>	<u>741,324</u>	<u>16,924</u>
Nonprogram:				
Special Education Tuition Payments	<u>246,297</u>	<u>210,611</u>	<u>182,088</u>	<u>28,523</u>
Total Expenditures	<u>4,197,170</u>	<u>4,197,170</u>	<u>4,126,342</u>	<u>70,828</u>
Excess of Revenues Under Expenditures	(2,599,401)	(2,599,401)	(2,779,667)	(180,266)
OTHER FINANCING SOURCES				
Transfers In	<u>2,599,401</u>	<u>2,599,401</u>	<u>2,779,667</u>	<u>180,266</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Required Supplementary Information.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS ***

	2020	2019	2018
Total OPEB Liability:			
Service Cost	\$ 141,192	\$ 136,289	\$ 136,289
Interest	67,502	72,561	80,463
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(155,082)	-	-
Changes of Assumptions	195,370	30,522	-
Benefit Payments	(134,783)	(361,516)	(493,421)
Net Change in Total OPEB Liability	114,199	(122,144)	(276,669)
Total OPEB liability - Beginning	1,925,420	2,047,564	2,324,233
Total OPEB liability - Ending (a)	<u>\$ 2,039,619</u>	<u>\$ 1,925,420</u>	<u>\$ 2,047,564</u>
Plan Fiduciary Net Position:			
Contributions - Employer	\$ 134,783	\$ -	\$ -
Net Investment Income	6,548	6,736	13,296
Benefit Payments	(134,783)	(361,516)	(493,421)
Administrative Expenses	-	-	-
Net Change in Plan Fiduciary Net Position	6,548	(354,780)	(480,125)
Plan Fiduciary Net Position - Beginning	122,727	477,507	957,632
Plan Fiduciary Net Position - Ending (B)	<u>\$ 129,275</u>	<u>\$ 122,727</u>	<u>\$ 477,507</u>
District's Net OPEB Liability - Ending (A) - (B)	<u>\$ 1,910,344</u>	<u>\$ 1,802,693</u>	<u>\$ 1,570,057</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	6.34%	6.37%	23.32%
Covered-Employee Payroll	\$ 15,532,836	\$ 14,050,149	\$ 14,050,149
District's Net OPEB Liability as a Percentage of Covered-Employee Payroll	12.30%	12.83%	11.17%
Weighted-Average Investment Income	0.33%	0.34%	0.61%

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN
LAST 10 FISCAL YEARS ***

	2020	2019	2018
Actuarially Determined Contribution (ADC)	\$ 245,692	\$ 199,615	\$ 193,801
Contributions in Relation to the ADC	134,783	-	-
Contribution Deficiency (Excess)	<u>\$ 110,909</u>	<u>\$ 199,615</u>	<u>193,801</u>
Covered-Employee Payroll	\$ 15,532,836	\$ 14,050,149	\$ 14,050,149
Contributions as a Percentage of Covered-Employee Payroll	0.87%	0.00%	0.00%

Key Methods and Assumption Used to Calculate ADC

	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial Cost Method	Market Value	Market Value	Market Value
Asset Valuation Method	30 Year Level	30 Year Level	30 Year Level
Amortization Method	Percentage	Percentage	Percentage
Discount Rate	2.25%	3.50%	3.75%
Amortization Growth Rate	3.00%	3.00%	3.00%
Inflation	2.00%	2.50%	2.50%

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
AND SCHEDULE OF CONTRIBUTIONS – WISCONSIN RETIREMENT SYSTEM
LAST 10 FISCAL YEARS**

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

Plan Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.09937690%	\$ (2,440,970)	\$ 13,959,685	17.49%	102.74%
12/31/15	0.10134680%	1,646,966	14,867,318	11.08%	98.20%
12/31/16	0.10385620%	856,023	15,385,293	5.56%	99.12%
12/31/17	0.10539545%	(3,129,315)	15,612,340	20.04%	102.93%
12/31/18	0.10629260%	3,781,557	16,494,000	22.93%	96.45%
12/31/19	0.10646772%	(3,433,005)	17,122,529	20.05%	102.96%

SCHEDULE OF CONTRIBUTIONS

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/15	\$ 1,060,610	\$ 1,060,610	\$ -	\$ 15,430,745	6.87%
6/30/16	959,565	959,565	-	14,384,432	6.67%
6/30/17	1,030,060	1,030,060	-	15,327,269	6.72%
6/30/18	1,088,468	1,088,468	-	16,150,536	6.74%
6/30/19	1,104,518	1,104,518	-	16,711,018	6.61%
6/30/20	1,158,333	1,158,333	-	17,366,845	6.67%

See accompanying Notes to Required Supplementary Information.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF CHANGES IN PENSION LIABILITY AND RELATED RATIOS
SUPPLEMENTAL PENSION
LAST 10 FISCAL YEARS ***

	2020	2019	2018	2017	2016
Total Pension Liability:					
Service Cost	\$ 67,579	\$ 65,363	\$ 67,152	\$ 70,192	\$ 74,781
Interest	29,040	29,786	21,568	21,645	20,364
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	(2,258)	-	(93,776)	-	-
Changes in Assumptions	36,497	10,643	(66,770)	-	-
Benefit Payments	(118,709)	(24,257)	(117,177)	(34,841)	(33,111)
Net Change in Total Pension Liability	12,149	81,535	(189,003)	56,996	62,034
Total OPEB Liability - Beginning	855,266	773,731	962,734	905,738	843,704
Total OPEB Liability - Ending	<u>\$ 867,415</u>	<u>\$ 855,266</u>	<u>\$ 773,731</u>	<u>\$ 962,734</u>	<u>\$ 905,738</u>
Covered-Employee Payroll	\$ 12,877,745	\$ 11,088,313	\$ 11,088,313	\$ 11,455,490	\$ 11,286,199
District's Net Pension Liability as a Percentage of Covered-Employee Payroll	6.74%	7.71%	6.98%	8.40%	8.03%

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020**

NOTE 1 OTHER POSTEMPLOYMENT BENEFITS

Single-Employer Defined Benefit Postemployment Benefit Plan

There is no change of benefit terms. The discount rate was reduced from 3.50% to 2.25% for the measurement date of June 30, 2020.

The amounts reported for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. The District is required to present the last 10 fiscal years of data; however, accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

NOTE 2 PENSION BENEFITS

Wisconsin Retirement System (WRS)

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

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

The District is required to present the last 10 fiscal years of data; however accounting standards allow the presentation of as many years as are available until 10 years are presented.

Supplemental Pension Plan

There is no change of benefit terms. The discount rate was reduced from 3.75% to 3.50% for the measurement date of June 30, 2020.

The District is required to present the last 10 fiscal years of data; however, accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020**

NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING

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

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

- Based upon requests from District staff, District administration recommends budget proposals to the Board of Education.
- The Board of Education prepares a proposed budget including proposed expenditures and the means of financing them for the July 1 through June 30 fiscal year.
- A public notice is published containing a summary of the budget and identifying the time and place where a public hearing will be held on the proposed budget.
- Pursuant to the public budget hearing, the Board of Education may make alterations to the proposed budget.
- Once the Board of Education (following the public hearing) adopts the budget, no changes may be made in the amount of tax to be levied or in the amount of the various appropriations and the purposes of such appropriations unless authorized by a 2/3 vote of the entire Board of Education.
- Appropriations lapse at year-end unless authorized as a carryover by the Board of Education. The portion of fund balance representing carryover appropriations is reported as a committed or assigned fund balance in the fund financial statements.
- Encumbrance accounting is used by the District as an extension of formal budgetary control during the year.
- The DPI requires the District to separate special education revenues and expenditures from other General Fund amounts.

The District did not have any material violation of legal or contractual provisions for the fiscal year ended June 30, 2020.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020**

NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Budgetary Information

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

	<u>General</u>	<u>Special Education Fund</u>
Revenues:		
Actual Amounts (Budgetary Basis)	\$ 25,932,342	\$ 1,337,801
Reclassification of Special Education Fund	<u>1,337,801</u>	<u>(1,337,801)</u>
Total Revenues	<u>27,270,143</u>	<u>-</u>
Expenditures:		
Actual Amounts (Budgetary Basis)	23,345,057	4,117,468
Reclassification of Special Education Fund	<u>4,117,468</u>	<u>(4,117,468)</u>
Total Expenditures	<u>27,462,525</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures:		
Actual Amounts (Budgetary Basis)	2,587,285	(2,779,667)
Reclassification of Special Education Fund	<u>(2,779,667)</u>	<u>2,779,667</u>
Excess of Revenues Over (Under) Expenditures	<u>(192,382)</u>	<u>-</u>
Other Financing Sources (Uses):		
Actual Amounts (Budgetary Basis)	(2,779,667)	2,779,667
Reclassification of Special Education Fund	<u>2,779,667</u>	<u>(2,779,667)</u>
Total Other Financing Sources (Uses)	-	-
Net Change In Fund Balance:		
Actual Amounts (Budgetary Basis)	<u>(192,382)</u>	<u>-</u>
Fund Balance - Beginning of Year:		
Actual Amounts (Budgetary Basis)	<u>2,661,034</u>	<u>-</u>
Fund Balance - End of Year:		
Actual Amounts (Budgetary Basis)	<u>\$ 2,468,652</u>	<u>\$ -</u>

SUPPLEMENTARY INFORMATION

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Special Revenue			Nonreferendum Debt Service Fund	Total Nonmajor Governmental Funds
	Donations	Community Service	Food Service		
ASSETS					
Cash and Investments	\$ 100,426	\$ 340,445	\$ 52,911	\$ 10,841	\$ 504,623
Receivables:					-
Accounts	26,045	8,335	6,803	-	41,183
Due from Other Governments	-	-	44,858	-	44,858
Inventories and Prepaid Items	-	3,074	-	-	3,074
	<u>-</u>	<u>3,074</u>	<u>-</u>	<u>-</u>	<u>3,074</u>
Total Assets	<u>\$ 126,471</u>	<u>\$ 351,854</u>	<u>\$ 104,572</u>	<u>\$ 10,841</u>	<u>\$ 593,738</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 49,254	\$ 37,574	\$ 27,405	\$ -	\$ 114,233
Accrued and Other Current Liabilities	-	15,737	-	-	15,737
Total Liabilities	<u>49,254</u>	<u>53,311</u>	<u>27,405</u>	<u>-</u>	<u>129,970</u>
FUND BALANCE					
Restricted	-	298,543	77,167	10,841	386,551
Committed	77,217	-	-	-	77,217
Total Fund Balances	<u>77,217</u>	<u>298,543</u>	<u>77,167</u>	<u>10,841</u>	<u>463,768</u>
Total Liabilities and Fund Balances	<u>\$ 126,471</u>	<u>\$ 351,854</u>	<u>\$ 104,572</u>	<u>\$ 10,841</u>	<u>\$ 593,738</u>

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Special Revenue			Nonreferendum Debt Service Fund	Total Nonmajor Governmental Funds
	Donations	Community Service	Food Service		
REVENUES					
Property Taxes	\$ -	\$ 1,250,000	\$ -	\$ 455,348	\$ 1,705,348
Other Local Sources	521,901	732,575	204,008	18	1,458,502
State Sources	-	-	5,180	-	5,180
Federal Sources	-	-	256,243	-	256,243
Total Revenues	<u>521,901</u>	<u>1,982,575</u>	<u>465,431</u>	<u>455,366</u>	<u>3,425,273</u>
EXPENDITURES					
Instruction:					
Regular Instruction	118,167	-	-	-	118,167
Vocational Instruction	1,992	-	-	-	1,992
Other Instruction	130,778	-	-	-	130,778
Total Instruction	<u>250,937</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,937</u>
Support Services:					
Pupil Services	33,850	-	-	-	33,850
Instructional Staff Services	128,339	-	-	-	128,339
General Administration Services	69,732	109,394	-	-	179,126
Business Services	-	29,754	-	-	29,754
Operations and Maintenance of Plant	8,843	666,917	-	-	675,760
Pupil Transportation Services	-	14,206	-	-	14,206
Food Services	-	-	388,264	-	388,264
Insurance	-	17,116	-	-	17,116
Total Support Services	<u>240,764</u>	<u>837,387</u>	<u>388,264</u>	<u>-</u>	<u>1,466,415</u>
Debt Service:					
Principal	-	-	-	335,000	335,000
Interest and Fiscal Charges	-	-	-	110,373	110,373
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>445,373</u>	<u>445,373</u>
Total Expenditures	<u>491,701</u>	<u>2,165,057</u>	<u>388,264</u>	<u>445,373</u>	<u>3,490,395</u>
Excess of Revenues Over (Under) Expenditures	<u>30,200</u>	<u>(182,482)</u>	<u>77,167</u>	<u>9,993</u>	<u>(65,122)</u>
NET CHANGE IN FUND BALANCES	<u>30,200</u>	<u>(182,482)</u>	<u>77,167</u>	<u>9,993</u>	<u>(65,122)</u>
Fund Balances - Beginning of Year	<u>47,017</u>	<u>481,025</u>	<u>-</u>	<u>848</u>	<u>528,890</u>
FUND BALANCES - END OF YEAR	<u>\$ 77,217</u>	<u>\$ 298,543</u>	<u>\$ 77,167</u>	<u>\$ 10,841</u>	<u>\$ 463,768</u>

**ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR BASIC FINANCIAL STATEMENTS**



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

Board of Education
Shorewood School District
Shorewood, 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 Shorewood School District, Shorewood, Wisconsin (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 26, 2021.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying the schedule of findings and questioned costs as item 2020-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 or other matters that are required to be reported under *Government Auditing Standards*.

Shorewood School District's Response to Findings

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

Purpose of this Report

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

CliftonLarsonAllen LLP

Green Bay, Wisconsin
January 26, 2021

FEDERAL AND STATE AWARDS



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION**

Board of Education
Shorewood School District
Shorewood, Wisconsin

Report on Compliance for Each Major Federal and State Program

We have audited the Shorewood School District, Shorewood, Wisconsin's (the District's) compliance with the types of compliance requirements described in the OMB Compliance Supplement and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2020. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal and State Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

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

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

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

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

CliftonLarsonAllen LLP

Green Bay, Wisconsin
January 26, 2021

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020**

Grantor Agency/Federal Program Title	CFDA Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/19	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/20	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF AGRICULTURE								
Child Nutrition Cluster:								
School Breakfast Program	10.553	WI DPI	2020-405355-DPI-SB-546	\$ (1,578)	\$ 3,630	\$ -	\$ 2,052	\$ -
COVID 19 - School Breakfast Program	10.553	WI DPI	2020-405355-DPI-SB-546	-	37,157	15,515	52,672	-
Total School Breakfast Program				(1,578)	40,787	15,515	54,724	-
National School Lunch Program	10.555	WI DPI	2020-405355-DPI-NSL-547	(18,234)	84,823	-	66,589	-
COVID 19 - National School Lunch Program	10.555	WI DPI	2020-405355-DPI-NSL-547	-	75,429	29,343	104,772	-
Non-Cash Assistance (Commodities)	10.555	WI DPI	2020-405355-DPI-NSL-547	-	30,158	-	30,158	-
Total National School Lunch Program				(18,234)	190,410	29,343	201,519	-
Total U.S. Department of Agriculture				(19,812)	231,197	44,858	256,243	-
U.S. DEPARTMENT OF EDUCATION								
Title I Grants to Local Educational Agencies	84.010	WI DPI	2020-405355-TIA-141	(8,421)	134,443	26,885	152,907	-
Special Education Cluster (IDEA):								
Special Education Grants to States	84.027	WI DPI	2020-405355-DPI-IDEA-F-341	(30,413)	208,102	57,451	235,140	-
Special Education Grants to States	84.027	WI DPI	2020-405355-DPI-IDEA-F-341	-	-	1,062	1,062	-
Total Special Education Grants to States				(30,413)	208,102	58,513	236,202	-
Special Education - Preschool Grants:	84.173	WI DPI	2020-405355-DPI-IDEA-P-347	-	-	5,662	5,662	-
Total Special Education Cluster (IDEA)				(30,413)	208,102	64,175	241,864	-

See accompanying Notes to Schedules of Expenditures of Federal and State Awards 96

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

Grantor Agency/Federal Program Title	CFDA Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/19	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/20	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF EDUCATION (CONTINUED)								
English Language Acquisition State Grants	84.365	WI DPI	2020-405355-DPI-T3 -391	\$ (3,333)	\$ 17,615	\$ 2,264	\$ 16,546	\$ -
Improving Teacher Quality State Grants	84.367	WI DPI	2020-405355-TIIA-365	(22,736)	42,505	17,200	36,969	-
Student Support and Academic Enrichment Program	84.424	WI DPI	2020-405355-TIVA - DPI-381	-	6,750	3,661	10,411	-
Total U.S. Department of Education				<u>(64,903)</u>	<u>409,415</u>	<u>114,185</u>	<u>458,697</u>	<u>-</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES								
Medicaid Cluster:								
Medical Assistance Program	93.778	WI DHS	44234700	<u>(5,096)</u>	<u>152,137</u>	<u>2,601</u>	<u>149,642</u>	<u>-</u>
Total U.S. Department of Health and Human Services				<u>(5,096)</u>	<u>152,137</u>	<u>2,601</u>	<u>149,642</u>	<u>-</u>
Total Federal Programs				<u>\$ (89,811)</u>	<u>\$ 792,749</u>	<u>\$ 161,644</u>	<u>\$ 864,582</u>	<u>\$ -</u>
RECONCILIATION TO THE BASIC FINANCIAL STATEMENTS								
Federal Sources							<u>\$ 864,582</u>	

See accompanying Notes to Schedules of Expenditures of Federal and State Awards 97

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020**

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number	(Accrued) Deferred Revenue 7/1/19	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/20	Total Expenditures	Subrecipient Payments
WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION								
Special Education and School Age Parents	255.101	Direct Program	405355-100	\$ -	\$ 873,643	\$ -	\$ 873,643	\$ -
Special Education and School Age Parents	255.101	CESA No. 1	N/A	-	589	-	589	-
Total Special Education and School Age Parents				-	874,232	-	874,232	-
State School Lunch Aid	255.102	Direct Program	405355-107	-	4,526	-	4,526	-
Common School Fund Library Aid	255.103	Direct Program	405355-104	-	89,516	-	89,516	-
Bilingual Bicultural Aid Lea	255.106	Direct Program	405355-111	-	2,556	10,058	12,614	-
Equalization Aids	255.201	Direct Program	405355-116	(81,994)	4,715,481	77,152	4,710,639	-
Integration Transfer - Non Resident	255.204	Direct Program	405355-106	-	676,970	-	676,970	-
High Cost Special Education Aid	255.210	Direct Program	405355-119	-	78,815	-	78,815	-
Supplemental Per Pupil Aid	255.245	Direct Program	405355-181	-	6,271	-	6,271	-
School Based Mental Health Services	255.297	Direct Program	405355-177	-	27,968	34,960	62,928	-
State School Breakfast Aid	255.344	Direct Program	405355-117	-	654	-	654	-
Early College Credit Program	255.445	Direct Program	405355-178	-	5,079	-	5,079	-
Educator Effective Evaluation System	255.940	Direct Program	405355-154	(16,080)	16,080	-	-	-
Per Pupil Aid	255.945	Direct Program	405355-113	-	1,386,056	-	1,386,056	-
Assessments of Reading Readiness	255.956	Direct Program	405355-166	-	3,915	-	3,915	-
Aid for Special Ed Transition Grant BBL	255.960	Direct Program	405355-168	-	8,000	-	8,000	-
Total Wisconsin Department of Public Instruction				(98,074)	7,896,119	122,170	7,920,215	-

See accompanying Notes to Schedules of Expenditures of Federal and State Awards 98

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF EXPENDITURES OF STATE AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number	(Accrued) Deferred Revenue 7/1/19	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/20	Total Expenditures	Subrecipient Payments
WISCONSIN DEPARTMENT OF JUSTICE								
School Safety Initiative - Security Updates and Mental Health Training	455.206	Direct Program	N/A	\$ (66,517)	\$ 66,517	\$ -	\$ -	\$ -
Total State Programs				<u>\$ (164,591)</u>	<u>\$ 7,962,636</u>	<u>\$ 122,170</u>	<u>\$ 7,920,215</u>	<u>\$ -</u>

RECONCILIATION TO THE BASIC FINANCIAL STATEMENTS

State Sources	\$ 7,922,671
Intermediate Sources	589
Less: State Sources not Considered State Financial Assistance	
State Tax-Exempt Aids	(2,708)
Payment in Lieu of Taxes and Other Revenues	<u>(337)</u>
Total Expenditures of State Awards	<u>\$ 7,920,215</u>

See accompanying Notes to Schedules of Expenditures of Federal and State Awards99

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
JUNE 30, 2020**

NOTE 1 BASIS OF PRESENTATION

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

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

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the District's 2020 fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and *State Single Audit Guidelines*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the District in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded District expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances.

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

NOTE 3 SPECIAL EDUCATION AND SCHOOL AGE PARENTS PROGRAM

The 2019-2020 eligible costs under the State Special Education Program as reported by the District are \$3,810,018. Compiled information required by compliance requirement 1-1 of the Special Education Audit Program was reported to the Wisconsin Department of Public Instruction.

NOTE 4 FOOD DISTRIBUTION

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
JUNE 30, 2020**

NOTE 5 OVERSIGHT AGENCIES

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

Federal – U.S. Department of Education

State – Wisconsin Department of Public Instruction

NOTE 6 PASS THROUGH ENTITIES

Federal awards have been passed through the following entities:

WI DHS – Wisconsin Department of Health Services

WI DPI – Wisconsin Department of Public Instruction

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020**

Section I – Summary of the Auditors' Results

Basic Financial Statements

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

Federal Awards

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

Identification of Major Federal Programs

CFDA Numbers

10.553
10.555

Name of Federal Program or Cluster

Child Nutrition Cluster:
School Breakfast Program
National School Lunch Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 x yes _____ no

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

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

State Awards

1. Internal control over major state programs:

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

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

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

Identification of Major State Programs:

State ID Number

255.201
255.204

Name of State Programs

Equalization Aids
Integration Transfer Non Resident

Dollar threshold used to distinguish between Type A and Type B programs: \$ 250,000

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

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

Section II – Financial Statement Findings

2020-001

**Control Deficiency
Preparation of Annual Financial Report
Repeat of Finding 2019-001**

Type of Finding

Significant deficiency in internal control over financial reporting

Condition

Current District staff maintains accounting records which reflect the District's financial transactions; however, preparing the District's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. The District contracts with us and our knowledge of applicable accounting principles, financial statement format, and note disclosures to assist in the preparation of the annual financial report in an efficient manner.

Criteria

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

Context

The audit firm has developed templates as a convenience to our clients.

Cause

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

Effect

The District may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.

Recommendation

We recommend the District continue reviewing the annual financial report. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the District is necessary to obtain a complete and adequate understanding of the District's annual financial report.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

Section II – Financial Statement Findings (Continued)

Management Response

Management believes the cost for additional staff time and training to prepare year-end closing entries and reports outweigh the benefits to be received. Management has reviewed and approved the annual financial report prior to issuance.

Views of Responsible Officials

Management agrees with the finding. Management believes that the cost of hiring staff to prepare year-end adjusting and closing entries and to prepare financial reports outweighs the benefits to be received. Management will have the appropriate staff review the adjusting, closing and GASB 34 conversion entries along with the prepared financial reports, as recommended, to obtain an adequate understanding of the District's financial report.

Section III – Federal and State Award Findings and Questioned Costs

There are no audit findings and questioned costs required to be reported under the Uniform Guidance and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration for the year ended June 30, 2020.

**SHOREWOOD SCHOOL DISTRICT
SHOREWOOD, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

Section IV – Other Issues

- | | | |
|----|--|---|
| 1. | Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? | No |
| 2. | Does the audit report show audit issues (i.e., material noncompliance, nonmaterial noncompliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue, or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the <i>State Single Audit Guidelines</i> : | |
| | a. Department of Health Services | No |
| | b. Department of Public Instruction | No |
| | c. Department of Justice | No |
| 3. | Was a management letter or other document conveying audit comments issued as a result of this audit? | Yes |
| 4. | Name and signature of partner | <hr style="width: 30%; margin-left: auto; margin-right: 0;"/> David L. Maccoux, CPA |
| 5. | Date of report | January 26, 2021 |



Shorewood
SCHOOL DISTRICT

**Operational Expectations Monitoring Document
OE-1 Global Operational Expectation**

Certification of the Superintendent: *With respect to Operational Expectation 1 (Global Operational Expectation), taken as a whole, the superintendent certifies that the proceeding information is accurate and complete, and is:*

- In Compliance
- In Compliance with Noted Exceptions
- Not in Compliance

Signed: Bryan Davis, Superintendent Date: 1/26/21

Executive Summary

Support for the direction of the district has grown over the last year, 70% to 77% agreed or strongly agreed, as assessed by parents and community members on our School Perceptions survey. Guided by our 2025 Strategic Framework, our district will continue to engage parents and community members in actionable steps to make our vision a reality. In monitoring reports where we have fallen short of compliance, the Board and Superintendent have provided feedback on how these areas will be improved as we move forward.

Disposition of the Board: *With respect to Operational Expectation 3 (Character and Citizenship), the Board:*

- Accepts the report as fully compliant
- Accepts the report as compliant with noted exceptions
- Finds the report to be noncompliant

Summary statement/motion of the Board:

Signed: _____, Board President Date: _____

OE-1: Global Operational Expectations -

The Superintendent shall not cause, allow, or fail to take reasonable measures to prevent any practice, activity, decision or organizational condition that is unlawful, unethical, unsafe, disrespectful, imprudent, in violation of Board policy or endangers the District's public image or credibility.

Superintendent Interpretation:

- This OE holds the Superintendent accountable for following Board policy, State and Federal law along with upholding the values of Village of Shorewood. This OE is broad in its scope and generally holds the Superintendent responsible for ensuring that the District operates in a legal, safe, and ethical manner.
 - **Unlawful** shall mean in violation of federal, state, and local laws.
 - **Unethical** shall mean behavior that is improper or does not conform to accepted professional standards of conduct.
 - **Unsafe** shall mean in a manner that is likely to physically injure students, employees, or visitors to the District.
 - **Disrespectful** shall mean in a manner that is not reasonably considering the situation or feelings of the person to whom one is speaking.
 - **Imprudent** shall mean reckless or irresponsible actions.
- This OE requires the Superintendent to take "**reasonable measures**," which shall mean that the Superintendent shall take steps to follow Board policy or protect the District's public image in a manner similar to what other superintendents or leaders of organizations might take under similar circumstances.
- This OE requires the Superintendent to protect the legal position of the District as well as the ethical standing of the District. The Superintendent is charged with protecting the "**organizational condition**," which shall mean the legal standing of the District and the perception that stakeholders have of the District with regard to trust and respect.
- This OE requires the Superintendent to establish and maintain a respected and positive "**public image**," which shall mean the positive perception held by the overwhelming majority of the stakeholders in the District. Stakeholders are defined as all guardians of Shorewood students and all the people who live in the Village of Shorewood.

OE-1 The Superintendent shall not cause, allow, or fail to take reasonable measures to prevent any practice, activity, decision or organizational condition that is unlawful, unethical, unsafe, disrespectful, imprudent, in violation of Board policy or endangers the district's public image or credibility.	Superintendent	Board
	Compliant	Compliant
	Compliant with Exceptions	Compliant with Exceptions
	Not Compliant	Not Compliant

Superintendent Interpretation

Board Indicator 1: <i>We will know we are compliant when:</i> <ul style="list-style-type: none"> The Board, upon evaluation of the OE policies, finds no significant violation of or not in compliance with any of the policies. 	<u>Superintendent</u>	<u>Board</u>
	Compliant	Compliant
	Not Compliant	Not Compliant

Evidence: The Board found the following policy not in compliance: OE-6 Communication with the Board. Strategies for improving performance in this policy are outlined in the Monitoring Report. In addition to OE-6, the COVID-19 pandemic caused the cancellation of state standardized testing, and related school closures prevented the completion of student Passages programs at the elementary schools and intermediate school.

Board Indicator 2: <i>We will know we are compliant when:</i> <ul style="list-style-type: none"> The District is not found to be in violation of any law when any legal action is taken against the District. 	<u>Superintendent</u>	<u>Board</u>
	Compliant	Compliant
	Not Compliant	Not Compliant

Evidence: The District was not found to be in violation of any law when any legal action was taken against the District.

Board Indicator 3: <i>We will know we are compliant when:</i> <ul style="list-style-type: none"> In a random survey sample of District stakeholders, at least 70% of the respondents express support for the direction of the District. 	<u>Superintendent</u>	<u>Board</u>
	Compliant	Compliant
	Not Compliant	Not Compliant

Evidence: On the 2020 Parent and Community School Perceptions Survey, 77% of 555 respondents agreed or strongly agreed when asked if “the District is heading in the right direction.”

Board Comments:



Shorewood
SCHOOL DISTRICT

**Operational Expectations Monitoring Document
OE-2 Emergency Superintendent Succession**

Certification of the Superintendent: *With respect to Operational Expectation 2 (Emergency Superintendent Succession), taken as a whole, the superintendent certifies that the proceeding information is accurate and complete, and is:*

- In Compliance
- In Compliance with Noted Exceptions
- Not in Compliance

Bryan Davis

Signed: _____, Superintendent Date: 1/26/21

Executive Summary

Turnover in the District Office this school year has required reshuffling of our emergency succession planning. The list of successors bring with them a depth of knowledge and experience to run the District smoothly in case I am unable to fulfill the duties of the Superintendent.

Disposition of the Board: *With respect to Operational Expectation 3 (Character and Citizenship), the Board:*

- Accepts the report as fully compliant
- Accepts the report as compliant with noted exceptions
- Finds the report to be noncompliant

Summary statement/motion of the Board:

Signed: _____, Board President Date: _____

OE-2: Emergency Superintendent Succession -

The Superintendent shall designate at least one other executive staff member who is familiar with the Board’s governance process and issues of current concern and is capable of assuming Superintendent responsibilities on an emergency basis.

Superintendent Interpretation:

- An **executive staff member** shall mean a member of the Administration Team.
- The term “**emergency basis**” means a period of time when the Superintendent is not available by any means and a decision that normally falls under the Superintendent’s purview must be made to ensure the safety and welfare of students and District personnel, or should such a decision not be made during this period; the District’s interests will be substantially damaged. The emergency would end upon the reestablishment of communication with the Superintendent, or, if the Superintendent is deemed by the School Board as incapable of resuming responsibilities, until the School Board appoints an interim Superintendent.

<p>Board Indicator 1: <i>We will know we are compliant when:</i></p> <ul style="list-style-type: none"> • The Superintendent, with input from the Administration Team members and Board of Education, creates a succession list with five names (in order of succession) that will fill in for the Superintendent on an emergency basis. This list will be readily available to Board members and Administration Team members. 	<p><u>Superintendent</u></p> <p>Compliant</p> <p>Not Compliant</p>	<p><u>Board</u></p> <p>Compliant</p> <p>Not Compliant</p>
<p>Evidence:</p> <p>The list of Superintendent Successors is as follows:</p> <p>Sam Coleman - Director of Curriculum and Instruction Julie Harris - Director of Pupil Services and Special Education Kim Salem - Human Resource Manager Tim Kenney - High School Principal Mickey Chavannes - Director of Instructional Technology and Assessment</p>		

Board Comments:

Fd T	Func	Func	Beginning Balance	2020-21 FY Debits	2020-21 FY Credits	Ending Balance
10 A 000 000	711000	--- WELLS FARGO GENERAL FUND		2,520.18		2,520.18
10 A 000 000	711016	--- NS DEPOSITORY ACCT	-7,301,615.35	413,602.71	426,346.36	-7,314,359.00
10 A 000 000	711215	--- PETTY CASH SIS	200.00			200.00
10 A 000 000	712220	--- PMA GENERAL FUND	-5,467,152.93	17,860,265.26	17,440,516.31	-5,047,403.98
10 A 000 000	712221	--- PMA PAYROLL	10,344,876.98	7,769,640.37	5,972,040.66	12,437,237.50
10 A 000 000	712222	--- PMA GENERAL DISBURSEMENT	1,543,083.78	7,797,117.46	7,453,608.76	2,224,840.12
10 A 000 000	712223	--- PMA FLEX	-72.91	35,324.43	35,324.43	-72.91
10 A 000 000	712230	--- PMA GENERAL FUND IS	3,683,516.26	5,862,736.31	10,213,599.75	-667,347.18
10 A 000 000	713100	--- TAXES RECEIVABLE	653,983.67		928,983.67	-275,000.00
10 A 000 000	713200	--- ACCOUNTS RECEIVABLE	1,851.33	77,152.00	78,431.33	572.00
10 A 000 000	714272	--- DUE FROM FUND 72	2,630.22		1,730.22	900.00
10 A 000 000	714273	--- DUE FROM FUND 73	275,899.68	26,970.96	3,614.52	299,256.12
10 A 000 000	714600	--- DUE FROM AGENCY FUND	3,802.95	179.50		3,982.45
10 A 000 000	715500	--- DUE FROM STATE GOVERNMENT	122,170.38	6,992.00	119,104.24	10,058.14
10 A 000 000	715600	--- DUE FROM FEDERAL GOVERNMENT	51,073.40	3,531.11	54,604.51	
10 A 000 000	717000	--- PREPAID EXPENSES	25,777.34	5,575.20	24,956.33	6,396.21
10 A --- ---	-----	--- Asset	3,940,024.80	39,861,607.49	42,752,861.09	1,681,779.65
10 L 000 000	811100	--- TEMPORARY NOTES PAYABLE			4,700,000.00	-4,700,000.00
10 L 000 000	811200	--- ACCOUNTS PAYABLE	-155,796.93	2,505,841.02	2,356,809.10	-12,711.63
10 L 000 000	811611	--- FICA (SOCIAL SECURITY)	-20,491.53	1,120,424.95	1,158,680.08	-29,844.82
10 L 000 000	811612	--- FEDERAL INCOME TAX	-9,872.68	631,567.59	621,203.68	491.23
10 L 000 000	811613	--- STATE INCOME TAX	-5,958.68	358,708.45	352,750.24	-0.47
10 L 000 000	811622	--- WI RETIREMENT FUND	-400,105.47	1,387,720.98	1,083,887.48	924.69
10 L 000 000	811628	--- ROTH IRA		1,462.50	1,462.50	
10 L 000 000	811631	--- HEALTH INSURANCE	-142,412.67	2,215,455.20	1,961,273.71	268,137.21
10 L 000 000	811632	--- DENTAL INSURANCE	-21,236.31	152,496.81	131,145.63	12,320.40
10 L 000 000	811633	--- LONG TERM DISABILITY	-10,184.97	26,357.20	29,414.35	-10,526.03
10 L 000 000	811634	--- LIFE INSURANCE	-46,184.60	19,696.48	19,560.69	-44,312.56
10 L 000 000	811635	--- SHORT TERM DISABILITY	-674.83	13,653.03	7,888.19	5,868.95
10 L 000 000	811637	--- HRA-VESTED AFTER RETIREMENT	-242,764.71			-242,764.71
10 L 000 000	811638	--- VISION INSURANCE	-185.33	9,331.33	8,149.98	1,765.58
10 L 000 000	811639	--- EBC DEDUCTION	-54,122.02	35,394.01	28,147.41	-43,957.39
10 L 000 000	811670	--- TAX SHELTERED ANNUITIES	190.57	227,326.70	226,838.37	678.90
10 L 000 000	811672	--- FICA ALT TSA	-341.21	21,303.33	20,995.19	-33.07
10 L 000 000	811680	--- GARNISHMENT	330.33	3,395.60	3,300.60	425.33
10 L 000 000	811800	--- ACCR PAYROLL		8,080,653.91	8,080,653.91	
10 L 000 000	812250	--- DUE TO FOOD SERVICE FUND			1,220.25	-1,220.25
10 L 000 000	812260	--- DUE TO FUND 60	-9,424.00	41.25	7,858.00	-17,240.75
10 L 000 000	815900	--- OTHER DEPOSITS PAYABLE	-345,172.74			-345,172.74
10 L 000 000	815910	--- DEPOSITS PAYABLE-PTO/BOOSTER	-7,234.75	2,502.00	9,895.28	-14,628.03
10 L 000 000	815990	--- DEPOSITS PAYABLE-MISC	-0.25			-0.25
10 L --- ---	-----	--- Liability	-1,471,642.78	16,813,332.34	20,811,134.64	-5,171,800.41
10 Q 000 000	931100	--- RESERVED FOR ENCUMBRANCES	-54,370.00	730,899.33	866,006.94	-205,499.19
10 Q 000 000	932000	--- FUND BALANCE - UNRESERVED	-2,414,012.02	10,765,882.31	3,741,718.80	3,695,519.95
10 Q --- ---	-----	--- Equity	-2,468,382.02	11,496,781.64	4,607,725.74	3,490,020.76
10 - --- ---	-----	--- GENERAL FUND		68,171,721.47	68,171,721.47	

<u>Fd T</u>	<u>Func</u>	<u>Func</u>	<u>Beginning Balance</u>	<u>2020-21 FY Debits</u>	<u>2020-21 FY Credits</u>	<u>Ending Balance</u>
21 A 000 000 711016 ---		NS DEPOSITORY ACCT	2,029,131.60	132,864.22		2,161,995.82
21 A 000 000 712200 ---		SAVINGS ACCCOUNT	1,678.29	0.42		1,678.71
21 A 000 000 712220 ---		PMA GENERAL FUND	-24,625.00			-24,625.00
21 A 000 000 712221 ---		PMA PAYROLL	-251,458.06		14,893.59	-263,796.39
21 A 000 000 712222 ---		PMA GENERAL DISBURSEMENT	-1,653,505.15	31,184.77	199,057.24	-1,819,499.18
21 A 000 000 713200 ---		ACCOUNTS RECEIVABLE	26,044.91		24,055.00	1,989.91
21 A --- --- ----- ---		Asset	127,266.59	164,049.41	238,005.83	57,743.87
21 L 000 000 811200 ---		ACCOUNTS PAYABLE	-49,253.79	180,388.75	131,134.96	-279.50
21 L 000 000 811800 ---		ACCR PAYROLL		14,893.59	14,893.59	
21 L --- --- ----- ---		Liability	-49,253.79	195,282.34	146,028.55	-279.50
21 Q 000 000 931100 ---		RESERVED FOR ENCUMBRANCES	-1,298.12	208,744.76	209,261.31	-2,252.57
21 Q 000 000 932000 ---		FUND BALANCE - UNRESERVED	-76,714.68	392,060.33	366,841.15	-55,211.80
21 Q --- --- ----- ---		Equity	-78,012.80	600,805.09	576,102.46	-57,464.37
21 - --- --- ----- ---		SPECIAL REVENUE/TRUST FUNDS		960,136.84	960,136.84	

<u>Fd T</u>	<u>Func</u>	<u>Func</u>	<u>Beginning Balance</u>	<u>2020-21 FY Debits</u>	<u>2020-21 FY Credits</u>	<u>Ending Balance</u>
27 A	000 000	711016 --- NS DEPOSITORY ACCT	3,056,514.80	3,922.40	1,079.34	3,059,357.86
27 A	000 000	712220 --- PMA GENERAL FUND	2,705,869.04	386,617.42		3,092,486.46
27 A	000 000	712221 --- PMA PAYROLL	-7,416,382.16	1,500.21	1,544,510.33	-8,798,146.03
27 A	000 000	712222 --- PMA GENERAL DISBURSEMENT	1,577,754.32	375.00	175,778.02	1,442,000.68
27 A	000 000	714273 --- DUE FROM FUND 73	17,981.62			17,981.62
27 A	000 000	715600 --- DUE FROM FEDERAL GOVERNMENT	65,713.78		63,113.21	2,600.57
27 A	---	----- --- Asset	7,451.40	392,415.03	1,784,480.90	-1,183,718.84
27 L	000 000	811200 --- ACCOUNTS PAYABLE	-7,451.40	172,370.47	164,919.07	-67.38
27 L	000 000	811800 --- ACCR PAYROLL		1,546,010.54	1,546,010.54	
27 L	---	----- --- Liability	-7,451.40	1,718,381.01	1,710,929.61	-67.38
27 Q	000 000	931100 --- RESERVED FOR ENCUMBRANCES	1,340.29	114,237.31	115,120.41	-4,723.54
27 Q	000 000	932000 --- FUND BALANCE - UNRESERVED	-1,340.29	1,892,149.91	506,652.34	1,188,509.76
27 Q	---	----- --- Equity		2,006,387.22	621,772.75	1,183,786.22
27 -	---	----- --- SPECIAL EDUCATION FUND		4,117,183.26	4,117,183.26	

Fd T	Func	Func	Beginning Balance	2020-21 FY Debits	2020-21 FY Credits	Ending Balance
38 A	000 000 712224	--- PMA DEBT SERVICE	-52,674.38		402,674.13	-455,348.51
38 A	000 000 712230	--- PMA GENERAL FUND IS	455,348.00			455,348.00
38 A	000 000 712234	--- PMA DEBT SERVICE IS	-391,833.26			-391,833.26
38 A	--- --- -----	--- Asset	10,840.36		402,674.13	-391,833.77
38 Q	000 000 931000	--- FUND BALANCE - RESERVED	-3,215,000.00			-3,215,000.00
38 Q	000 000 932000	--- FUND BALANCE - UNRESERVED	3,204,159.64	402,674.13		3,606,833.77
38 Q	--- --- -----	--- Equity	-10,840.36	402,674.13		391,833.77
38 -	--- --- -----	--- DEBT SVC NON REFERENDUM		402,674.13	402,674.13	

<u>Fd T</u>	<u>Func</u>	<u>Func</u>	<u>Beginning Balance</u>	<u>2020-21 FY Debits</u>	<u>2020-21 FY Credits</u>	<u>Ending Balance</u>
39 A 000 000 712220 ---		PMA GENERAL FUND			1,087,689.28	-1,087,689.28
39 A 000 000 712224 ---		PMA DEBT SERVICE	52,675.44	1,091,517.02	688,842.75	455,349.71
39 A 000 000 712230 ---		PMA GENERAL FUND IS	1,327,496.13	1,516,872.93		2,844,369.06
39 A 000 000 712234 ---		PMA DEBT SERVICE IS	395,658.91	1.17	3,826.54	391,833.54
39 A 000 000 713100 ---		TAXES RECEIVABLE	1,516,872.93		1,516,872.93	
39 A --- --- ----- ---		Asset	3,292,703.41	2,608,391.12	3,297,231.50	2,603,863.03
39 Q 000 000 931710 ---		RESERVE FOR REFINANCING	-111,122.73			-111,122.73
39 Q 000 000 932000 ---		FUND BALANCE - UNRESERVED	-3,181,580.68	688,842.75	2.37	-2,492,740.30
39 Q --- --- ----- ---		Equity	-3,292,703.41	688,842.75	2.37	-2,603,863.03
39 - --- --- ----- ---		DEBT SVC REFERENDUM		3,297,233.87	3,297,233.87	

Fd T	Func	Func	Beginning Balance	2020-21 FY Debits	2020-21 FY Credits	Ending Balance
41 A	000 000 712222	--- PMA GENERAL DISBURSEMENT	-42,488.59		10,643.00	-53,131.59
41 A	000 000 713100	--- TAXES RECEIVABLE	275,000.00			275,000.00
41 A	--- --- -----	--- Asset	232,511.41		10,643.00	221,868.41
41 L	000 000 811200	--- ACCOUNTS PAYABLE		10,643.00	10,643.00	
41 L	--- --- -----	--- Liability		10,643.00	10,643.00	
41 Q	000 000 931100	--- RESERVED FOR ENCUMBRANCES	-53,215.00			-53,215.00
41 Q	000 000 932000	--- FUND BALANCE - UNRESERVED	-179,296.41	10,643.00		-168,653.41
41 Q	--- --- -----	--- Equity	-232,511.41	10,643.00		-221,868.41
41 -	--- --- -----	--- Capital Expansion		21,286.00	21,286.00	

Fd T	Func	Func	Beginning Balance	2020-21 FY Debits	2020-21 FY Credits	Ending Balance
49 A	000 000 712100	--- CERTIFICATES OF DEPOSIT	27,142,200.00		9,645,300.00	17,496,900.00
49 A	000 000 712222	--- PMA GENERAL DISBURSEMENT	-1,830.90		1,000.31	-2,495.61
49 A	000 000 712227	--- PMA REF. PROC. CMS		22,697,747.42	22,697,747.42	
49 A	000 000 712228	--- 2008 PMA REF. DISB.	-873,502.47	13,022,959.13	14,819,625.43	-2,621,440.39
49 A	000 000 712237	--- PMA REF. PROC. IS	9,292,478.37	9,864,400.88	12,843,207.66	6,313,671.59
49 A	--- --- -----	--- Asset	35,559,345.00	45,585,107.43	60,006,880.82	21,186,635.59
49 L	000 000 811200	--- ACCOUNTS PAYABLE	-1,438.63	15,002,517.54	15,001,078.91	
49 L	--- --- -----	--- Liability	-1,438.63	15,002,517.54	15,001,078.91	
49 Q	000 000 931100	--- RESERVED FOR ENCUMBRANCES	-47,560.38	23,101.20	250,698.20	-275,157.38
49 Q	000 000 932000	--- FUND BALANCE - UNRESERVED	-35,510,345.99	15,252,475.89	604,544.13	-20,911,478.21
49 Q	--- --- -----	--- Equity	-35,557,906.37	15,275,577.09	855,242.33	-21,186,635.59
49 -	--- --- -----	--- CAPITAL PROJECTS		75,863,202.06	75,863,202.06	

<u>Fd T</u>	<u>Func</u>	<u>Func</u>	<u>Beginning Balance</u>	<u>2020-21 FY Debits</u>	<u>2020-21 FY Credits</u>	<u>Ending Balance</u>
50 A 000 000 711016 ---	NS DEPOSITORY ACCT		483,365.22	1,173.67		484,538.89
50 A 000 000 712220 ---	PMA GENERAL FUND		327,202.09	199,850.56	45,048.60	482,004.05
50 A 000 000 712221 ---	PMA PAYROLL		-1,316.00			-1,316.00
50 A 000 000 712222 ---	PMA GENERAL DISBURSEMENT		-756,339.72	454.40	136,485.69	-892,124.67
50 A 000 000 713200 ---	ACCOUNTS RECEIVABLE		6,802.91		44,858.24	-38,055.33
50 A 000 000 714100 ---	DUE FROM GEN FUND			1,220.25		1,220.25
50 A 000 000 715600 ---	DUE FROM FEDERAL GOVERNMENT		44,858.24			44,858.24
50 A --- --- ----- ---	Asset		104,572.74	202,698.88	226,392.53	81,125.43
50 L 000 000 811200 ---	ACCOUNTS PAYABLE		-27,404.87	136,485.69	109,080.82	-187.20
50 L 000 000 816950 ---	DEFERRED REVENUE FOOD SERVICE			1,507.64	634.75	872.89
50 L --- --- ----- ---	Liability		-27,404.87	137,993.33	109,715.57	685.69
50 Q 000 000 931100 ---	RESERVED FOR ENCUMBRANCES		44.95			44.95
50 Q 000 000 932000 ---	FUND BALANCE - UNRESERVED		-77,212.82	152,621.78	157,205.89	-81,856.07
50 Q --- --- ----- ---	Equity		-77,167.87	152,621.78	157,205.89	-81,811.12
50 - --- --- ----- ---	FOOD SERVICE			493,313.99	493,313.99	

Fd T	Func	Func	Beginning Balance	2020-21 FY Debits	2020-21 FY Credits	Ending Balance
60 A 000 000	711007	SHS ACT. NS CHECKING	52,822.49	3,479.81	32,905.19	36,021.06
60 A 000 000	711009	SHS ACT. NS SAVINGS	79,832.60	47.88		79,880.48
60 A 000 000	711012	SHS SE NS CHECKING	3,530.41			3,530.41
60 A 000 000	711014	SIS ACT. NS CHECKING	3,999.94			3,999.94
60 A 000 000	711016	NS DEPOSITORY ACCT	3,581.00	15,205.66	7,858.00	10,928.66
60 A 000 000	712222	PMA GENERAL DISBURSEMENT	-13,296.29	156.56	341.37	-13,481.10
60 A 000 000	714100	DUE FROM GEN FUND	9,424.00	7,858.00	41.25	17,240.75
60 A --- ---	-----	Asset	139,894.15	26,747.91	41,145.81	138,120.20
60 L 000 000	811200	ACCOUNTS PAYABLE		45,842.01	45,842.01	-12,623.95
60 L 000 000	812100	DUE TO GENERAL FUND	-3,802.95		156.56	-3,959.51
60 L 000 000	814012	SHS DOGHOUSE	-3,530.41			-3,530.41
60 L 000 000	814277	CLASS OF 2016	-6.10			-6.10
60 L 000 000	814278	CLASS OF 2017	-44.92			-44.92
60 L 000 000	814310	AFS	-36,031.04			-36,031.04
60 L 000 000	814340	GSA	-353.10			-353.10
60 L 000 000	814410	STUDENT FINANCIAL ASSISTANCE	-3,047.80		47.88	-3,095.68
60 L 000 000	814515	ART CLUB	-508.45			-508.45
60 L 000 000	814516	CLUB 35	-36.25			-36.25
60 L 000 000	814530	BEST BUDDIES	-311.43			-311.43
60 L 000 000	814531	HERO CLUB	-97.05			-97.05
60 L 000 000	814560	FRENCH CLUB	-200.60			-200.60
60 L 000 000	814571	ASIAN CLUB	-350.45			-350.45
60 L 000 000	814577	CUPCAKE CLUB	23.27			23.27
60 L 000 000	814578	DANCE TEAM CLUB	-34.94			-34.94
60 L 000 000	814582	JEWISH CULTURE CLUB	-40.75			-40.75
60 L 000 000	814590	NHS	590.27			590.27
60 L 000 000	814610	PEGUSUS	-66.74			-66.74
60 L 000 000	814617	SPANISH CLUB	-5,379.32			-5,379.32
60 L 000 000	814618	STOCK CLUB	261.32			261.32
60 L 000 000	814620	RIPPLES	-13,775.02	181.56	2,750.00	-16,343.46
60 L 000 000	814635	STUDENT COUNCIL	-5,273.82			-5,273.82
60 L 000 000	814640	THESPIANS	-573.17			-573.17
60 L 000 000	814646	RANDOM ACTS OF KINDNESS CLUB	-116.90	0.25	76.81	-193.46
60 L 000 000	814650	SCIENCE CLUB	1,485.08			1,485.08
60 L 000 000	814651	ANIME CLUB	-482.31			-482.31
60 L 000 000	814653	SHE'S THE FIRST	-865.25			-865.25
60 L 000 000	814656	YOUTH RISING UP	-5,448.84		108.00	-5,556.84
60 L 000 000	814661	REDgen Group	-540.29			-540.29
60 L 000 000	814662	OCTO CLUB	-98.00			-98.00
60 L 000 000	814675	COPPERDOME	-23,609.28	43,224.24	24,859.30	-5,244.34
60 L 000 000	814691	KEY CLUB	-2,225.42		500.00	-2,725.42
60 L 000 000	814693	GLOBAL SCHOLARS	-799.21			-799.21
60 L 000 000	814695	PROM	-4,001.68			-4,001.68
60 L 000 000	814802	SIS BUILDERS CLUB	-482.65			-482.65
60 L 000 000	814804	SIS STUDENT COUNCIL	-1,767.03			-1,767.03
60 L 000 000	814812	SIS BANK FEES & INT.	-314.26			-314.26
60 L 000 000	815900	OTHER DEPOSITS PAYABLE	-3,597.37			-3,597.37
60 L 000 000	818100	SHS PARENT ASSOCIATION	-8,265.72	2,320.90	2,330.50	-8,275.32
60 L 000 000	818117	PARENTS OF 2017	-286.97			-286.97
60 L 000 000	818118	PARENTS OF 2018	-4,327.17			-4,327.17
60 L 000 000	818119	PARENTS OF 2019	-4,488.39			-4,488.39
60 L 000 000	818120	PARENTS OF 2020	-92.62		500.00	-592.62
60 L 000 000	818200	CHOIR BOOSTER CLUB	-6,980.42			-6,980.42
60 L --- ---	-----	Liability	-139,894.15	91,568.96	77,171.06	-138,120.20
60 - --- ---	-----	PUPIL ACTIVITY FUND		118,316.87	118,316.87	

<u>Fd T</u>	<u>Func</u>	<u>Func</u>	<u>Beginning Balance</u>	<u>2020-21 FY Debits</u>	<u>2020-21 FY Credits</u>	<u>Ending Balance</u>
72 A	000 000	711015 --- NS SHS SCHOLARSHIP	91,896.16	56,068.75	24,730.22	123,234.69
72 A	000 000	711016 --- NS DEPOSITORY ACCT	10,000.00	10,570.94	10,000.00	10,570.94
72 A	000 000	712000 --- SCHWAB - SHAW SCHOLARSHIP	1,178,610.58	148,863.86	33,288.02	1,294,186.42
72 A	000 000	712002 --- FIDELITY-MJ SPECTOR SCHOLARSHP	27,814.68	22,425.84	22,830.34	27,410.18
72 A	000 000	712003 --- FIDELITY-GROSS SCHOLARSHIP	848,298.58	65,357.57		913,656.15
72 A	000 000	712222 --- PMA GENERAL DISBURSEMENT		3,000.00	6,750.00	-3,750.00
72 A	000 000	713200 --- ACCOUNTS RECEIVABLE	900.00			900.00
72 A	---	----- --- Asset	2,157,520.00	306,286.96	97,598.58	2,366,208.38
72 L	000 000	811200 --- ACCOUNTS PAYABLE		3,750.00	3,750.00	
72 L	000 000	812100 --- DUE TO GENERAL FUND	-2,630.22	1,730.22		-900.00
72 L	---	----- --- Liability	-2,630.22	5,480.22	3,750.00	-900.00
72 Q	000 000	931500 --- RESERVED FOR SCHOLARSHIPS	-145,087.45			-145,087.45
72 Q	000 000	932000 --- FUND BALANCE - UNRESERVED	-2,009,802.33	107,045.74	317,464.34	-2,220,220.93
72 Q	---	----- --- Equity	-2,154,889.78	107,045.74	317,464.34	-2,365,308.38
72 -	---	----- --- SCHOLARSHIP FUND		418,812.92	418,812.92	

Fd T	Func	Func	Beginning Balance	2020-21 FY Debits	2020-21 FY Credits	Ending Balance
73 A	000 000	712222 --- PMA GENERAL DISBURSEMENT			13,686.73	-11,044.73
73 A	000 000	712290 --- MIDAMERICA OPEB TRUST	369,907.26			369,907.26
73 A	000 000	712291 --- MIDAMERICA HRA	7,723,741.36			7,723,741.36
73 A	---	----- --- Asset	8,093,648.62		13,686.73	8,082,603.89
73 L	000 000	811200 --- ACCOUNTS PAYABLE		13,686.73	13,686.73	
73 L	000 000	812100 --- DUE TO GENERAL FUND	-276,799.68	1,334.00		-276,799.68
73 L	000 000	812200 --- DUE TO SPECIAL REVENUE FUNDS	-17,981.62			-17,981.62
73 L	000 000	812280 --- DUE TO COMMUNITY SERVICE	-6,319.66			-6,319.66
73 L	---	----- --- Liability	-301,100.96	15,020.73	13,686.73	-301,100.96
73 Q	000 000	932000 --- FUND BALANCE - UNRESERVED	-7,792,547.66	12,352.73		-7,781,502.93
73 Q	---	----- --- Equity	-7,792,547.66	12,352.73		-7,781,502.93
73 -	---	----- --- OPEB TRUST		27,373.46	27,373.46	

Fd T	Func	Func	Beginning Balance	2020-21 FY Debits	2020-21 FY Credits	Ending Balance
80 A	000 000 711016	--- NS DEPOSITORY ACCT	1,219,813.89	87,389.00	85,492.29	1,221,710.60
80 A	000 000 712220	--- PMA GENERAL FUND	2,585,230.00			2,585,230.00
80 A	000 000 712221	--- PMA PAYROLL	-2,276,521.19	2,040.70	560,099.61	-2,789,564.27
80 A	000 000 712222	--- PMA GENERAL DISBURSEMENT	-1,328,135.95	3,541.32	120,232.77	-1,441,234.97
80 A	000 000 714273	--- DUE FROM FUND 73	6,169.38			6,169.38
80 A	000 000 717000	--- PREPAID EXPENSES	3,073.50		3,073.50	
80 A	--- --- -----	--- Asset	209,629.63	92,971.02	768,898.17	-417,689.26
80 L	000 000 811200	--- ACCOUNTS PAYABLE	-36,462.62	112,166.99	75,704.37	
80 L	000 000 811800	--- ACCR PAYROLL		562,568.01	562,568.01	
80 L	--- --- -----	--- Liability	-36,462.62	674,735.00	638,272.38	
80 Q	000 000 931100	--- RESERVED FOR ENCUMBRANCES	18,870.34	49,631.62	41,813.67	23,907.71
80 Q	000 000 932000	--- FUND BALANCE - UNRESERVED	-192,037.35	812,366.22	180,719.64	393,781.55
80 Q	--- --- -----	--- Equity	-173,167.01	861,997.84	222,533.31	417,689.26
80 -	--- --- -----	--- COMMUNITY SERVICE FUND		1,629,703.86	1,629,703.86	

Fd T	Func	Func	Beginning Balance	2020-21 FY Debits	2020-21 FY Credits	Ending Balance
81 A	000 000	711016 --- NS DEPOSITORY ACCT	737,395.62	54,965.71	837.10	791,524.23
81 A	000 000	712221 --- PMA PAYROLL	-501,396.02	637.94	90,502.26	-584,535.12
81 A	000 000	712222 --- PMA GENERAL DISBURSEMENT	-111,918.45	37.37	9,644.84	-120,525.73
81 A	000 000	713200 --- ACCOUNTS RECEIVABLE	2,015.86			2,015.86
81 A	000 000	714273 --- DUE FROM FUND 73	150.28			150.28
81 A	---	----- --- Asset	126,247.29	55,641.02	100,984.20	88,629.52
81 L	000 000	811200 --- ACCOUNTS PAYABLE	-1,111.40	6,988.17	5,876.77	
81 L	000 000	811800 --- ACCR PAYROLL		91,140.20	91,140.20	
81 L	---	----- --- Liability	-1,111.40	98,128.37	97,016.97	
81 Q	000 000	931100 --- RESERVED FOR ENCUMBRANCES	-99.72	4,145.30	12,701.10	-8,369.71
81 Q	000 000	932000 --- FUND BALANCE - UNRESERVED	-125,036.17	112,573.90	59,786.32	-80,259.81
81 Q	---	----- --- Equity	-125,135.89	116,719.20	72,487.42	-88,629.52
81 -	---	----- --- FITNESS CENTER		270,488.59	270,488.59	

Number of Accounts: 188

***** End of report *****

Fd	T	Loc	Obj	Func	Prj	Src	2019-20	2019-20	2020-21	2020-21	Encumbered	Unencumbered
							Revised Budget	FYTD Activity	Original Budget	FYTD Activity	Amount	Balance - YTD Act
10 GENERAL FUND												
10	R	---	2--	-----	---	REVENUE FROM LOCAL SOURCES	17,626,725.00	489,172.07	17,114,415.00	256,665.13		16,857,749.87
10	R	---	3--	-----	---	INTER-DISTRICT TRANSFERS W/WI	1,026,072.00		1,050,300.00			1,050,300.00
10	R	---	6--	-----	---	REVENUE FROM STATE SOURCES	6,946,683.00	1,861,030.21	7,949,754.00	2,320,888.88		5,628,865.12
10	R	---	7--	-----	---	REVENUE FROM FEDERAL SOURCES	290,478.00		465,267.00			465,267.00
10	R	---	9--	-----	---	OTHER SOURCES OF REVENUE	65,065.00	85,527.55	73,902.00	140,621.92		-66,719.92
10	R	---	---	-----	---	Revenue	25,955,023.00	2,435,729.83	26,653,638.00	2,718,175.93		23,935,462.07
							=====	=====	=====	=====		=====
10	E	---	1--	-----	---	SALARIES	14,399,576.00	5,637,833.81	14,446,053.00	5,316,878.11		9,129,174.89
10	E	---	2--	-----	---	EMPLOYEE BENEFITS	5,540,159.00	2,083,174.92	5,600,285.00	1,901,165.17		3,699,119.83
10	E	---	3--	-----	---	PURCHASED SERVICES	2,268,177.00	1,123,171.05	2,383,054.00	800,493.27	44,346.00	1,538,214.73
10	E	---	4--	-----	---	NON-CAPITAL OBJECTS	705,857.00	398,145.25	801,132.00	382,505.28	116,163.28	302,463.44
10	E	---	5--	-----	---	CAPITAL OBJECTS		37,317.92		11,640.00		-11,640.00
10	E	---	6--	-----	---	DEBT RETIREMENT	34,175.00		14,000.00	16,223.79		-2,223.79
10	E	---	7--	-----	---	INSURANCE AND JUDGMENTS	424,336.00	338,384.64	347,513.00	206,176.10		141,336.90
10	E	---	8--	-----	---	OPERATING TRANSFERS	2,599,401.00		2,931,245.00			2,931,245.00
10	E	---	9--	-----	---	OTHER OBJECTS	100,352.00	119,150.42	130,552.00	41,496.99	1,348.25	87,706.76
10	E	---	---	-----	---	Expense	26,072,033.00	9,737,178.01	26,653,834.00	8,676,578.71	161,857.53	17,815,397.76
							=====	=====	=====	=====		=====
10	-	---	---	-----	---	GENERAL FUND	-117,010.00	-7,301,448.18	-196.00	-5,958,402.78	-161,857.53	6,120,064.31
							=====	=====	=====	=====		=====
21 SPECIAL REVENUE/TRUST FUNDS												
21	R	---	2--	-----	---	REVENUE FROM LOCAL SOURCES	463,766.00	434,608.91	421,652.00	94,183.44		327,468.56
21	R	---	---	-----	---	Revenue	463,766.00	434,608.91	421,652.00	94,183.44		327,468.56
							=====	=====	=====	=====		=====
21	E	---	1--	-----	---	SALARIES	56,562.00	29,753.74	45,916.00	9,653.47		36,262.53
21	E	---	2--	-----	---	EMPLOYEE BENEFITS	13,438.00	6,767.04	10,650.00	2,684.86		7,965.14
21	E	---	3--	-----	---	PURCHASED SERVICES	115,375.00	48,553.44	104,574.00	34,754.10		69,819.90
21	E	---	4--	-----	---	NON-CAPITAL OBJECTS	348,199.25	168,044.51	251,195.00	59,042.53	2,252.57	189,899.90
21	E	---	5--	-----	---	CAPITAL OBJECTS	10,141.00			-1,701.88		1,701.88
21	E	---	9--	-----	---	OTHER OBJECTS	20,253.00	12,126.71	9,320.00	10,298.79		-978.79
21	E	---	---	-----	---	Expense	563,968.25	265,245.44	421,655.00	114,731.87	2,252.57	304,670.56
							=====	=====	=====	=====		=====

Fd	T	Loc	Obj	Func	Prj	Src	2019-20	2019-20	2020-21	2020-21	Encumbered	Unencumbered
							Revised Budget	FYTD Activity	Original Budget	FYTD Activity	Amount	Balance - YTD Act
21 SPECIAL REVENUE/TRUST FUNDS												
21	-						-100,202.25	169,363.47	-3.00	-20,548.43	-2,252.57	22,798.00
27 SPECIAL EDUCATION FUND												
27	R						2,599,401.00		2,931,145.00			2,931,145.00
27	R						10,000.00					
27	R						1,066,000.00	259,781.00	1,023,699.00	322,442.00		701,257.00
27	R						521,769.00	4,087.32	503,773.00	3,078.11		500,694.89
27	R									135.26		-135.26
27	R						4,197,170.00	263,868.32	4,458,617.00	325,655.37		4,132,961.63
27	E						2,899,566.00	1,073,288.59	2,983,193.00	1,049,609.64		1,933,583.36
27	E						924,673.00	336,805.32	959,132.00	332,154.23		626,977.77
27	E						317,897.00	104,045.05	387,639.00	111,887.63	5,604.50	270,146.87
27	E						50,737.00	15,156.74	113,614.00	14,114.09	459.33	99,040.58
27	E								2,518.00			2,518.00
27	E						4,297.00	1,704.00	12,522.00	1,676.00		10,846.00
27	E						4,197,170.00	1,530,999.70	4,458,618.00	1,509,441.59	6,063.83	2,943,112.58
27	-							-1,267,131.38	-1.00	-1,183,786.22	-6,063.83	1,189,849.05
38 DEBT SVC NON REFERENDUM												
38	R						455,348.00	17.85	599,849.00			599,849.00
38	R						455,348.00	17.85	599,849.00			599,849.00
38	E						445,374.00	392,699.38	450,099.00	402,674.13		47,424.87
38	E						445,374.00	392,699.38	450,099.00	402,674.13		47,424.87

		2019-20	2019-20	2020-21	2020-21	Encumbered	Unencumbered
Fd T Loc Obj Func Prj Src		Revised Budget	FYTD Activity	Original Budget	FYTD Activity	Amount	Balance - YTD Act
38	DEBT SVC NON REFERENDUM						
38 -	DEBT SVC NON REFERENDUM	9,974.00	-392,681.53	149,750.00	-402,674.13		552,424.13
		=====	=====	=====	=====		=====
39	DEBT SVC REFERENDUM						
39 R --- 2--	REVENUE FROM LOCAL SOURCES	3,544,651.00	27,902.39	3,971,546.00	2.37		3,971,543.63
39 R --- 9--	OTHER SOURCES OF REVENUE	2,391,171.00	2,391,170.50				
39 R ---	Revenue	5,935,822.00	2,419,072.89	3,971,546.00	2.37		3,971,543.63
		=====	=====	=====	=====		=====
39 E --- 6--	DEBT RETIREMENT	4,430,000.00	279,527.85	4,052,686.00	688,842.75		3,363,843.25
39 E ---	Expense	4,430,000.00	279,527.85	4,052,686.00	688,842.75		3,363,843.25
		=====	=====	=====	=====		=====
39 -	DEBT SVC REFERENDUM	1,505,822.00	2,139,545.04	-81,140.00	-688,840.38		607,700.38
		=====	=====	=====	=====		=====
41	Capital Expansion						
41 R --- 2--	REVENUE FROM LOCAL SOURCES	275,000.00		275,000.00			275,000.00
41 R ---	Revenue	275,000.00		275,000.00			275,000.00
		=====		=====			=====
41 E --- 3--	PURCHASED SERVICES			24,131.00	10,643.00		13,488.00
41 E --- 5--	CAPITAL OBJECTS	275,000.00		79,996.00		53,215.00	26,781.00
41 E ---	Expense	275,000.00		104,127.00	10,643.00	53,215.00	40,269.00
		=====		=====	=====	=====	=====
41 -	Capital Expansion			170,873.00	-10,643.00	-53,215.00	234,731.00
				=====	=====	=====	=====
49	CAPITAL PROJECTS						
49 R --- 2--	REVENUE FROM LOCAL SOURCES	200,000.00	178,857.94	322,306.00	219,100.90		103,205.10
49 R --- 8--	NON-REVENUE SOURCES	39,200,000.00	40,000,000.00				
49 R ---	Revenue	39,400,000.00	40,178,857.94	322,306.00	219,100.90		103,205.10

Fd	T	Loc	Obj	Func	Prj	Src	2019-20 Revised Budget	2019-20 FYTD Activity	2020-21 Original Budget	2020-21 FYTD Activity	Encumbered Amount	Unencumbered Balance - YTD Act
49							CAPITAL PROJECTS					
=====												
49	E		3				3,000,000.00	2,426,710.28	18,675,866.00	14,589,573.09	275,157.38	3,811,135.53
49	E		4							599.00		-599.00
49	E		9					267.24		199.59		-199.59
49	E						3,000,000.00	2,426,977.52	18,675,866.00	14,590,371.68	275,157.38	3,810,336.94
=====												
49	-						36,400,000.00	37,751,880.42	-18,353,560.00	-14,371,270.78	-275,157.38	-3,707,131.84
=====												
50							FOOD SERVICE					
50	R		2				290,685.00	131,721.65	204,050.00	2,213.57		201,836.43
50	R		6				4,775.00		5,180.00			5,180.00
50	R		7				148,540.00	35,434.37	256,285.00	109,943.72		146,341.28
50	R						444,000.00	167,156.02	465,515.00	112,157.29		353,357.71
=====												
50	E		3				379,443.00	143,653.35	421,545.00	101,895.79		319,649.21
50	E		4				34,557.00	6,070.13	43,970.00	5,618.25		38,351.75
50	E		5				30,000.00					
50	E						444,000.00	149,723.48	465,515.00	107,514.04		358,000.96
=====												
50	-							17,432.54		4,643.25		-4,643.25
=====												
80							COMMUNITY SERVICE FUND					
80	R		2				1,900,000.00	329,858.65	1,900,000.00	42,196.00		1,857,804.00
80	R						1,900,000.00	329,858.65	1,900,000.00	42,196.00		1,857,804.00
=====												
80	E		1				932,614.00	457,995.42	946,721.00	393,311.80		553,409.20
80	E		2				275,168.00	131,999.20	316,220.00	119,371.28		196,848.72

Fd T Loc Obj Func Prj Src	2019-20 Revised Budget	2019-20 FYTD Activity	2020-21 Original Budget	2020-21 FYTD Activity	Encumbered Amount	Unencumbered Balance - YTD Act
80	COMMUNITY SERVICE FUND					
80 E --- 3-- ----- ---	559,470.00	305,618.62	559,470.00	54,211.09	4,310.20	500,948.71
80 E --- 4-- ----- ---	82,248.00	36,946.28	82,248.00	15,583.77	398.09	66,266.14
80 E --- 5-- ----- ---	10,000.00		10,000.00	12,351.88		-2,351.88
80 E --- 7-- ----- ---		14,037.60				
80 E --- 9-- ----- ---	40,500.00	23,477.62	40,500.00	38,222.45	1,200.00	1,077.55
80 E --- --- ----- ---	1,900,000.00	970,074.74	1,955,159.00	633,052.27	5,908.29	1,316,198.44
=====						
80 - --- --- ----- ---		-640,216.09	-55,159.00	-590,856.27	-5,908.29	541,605.56
=====						
81	FITNESS CENTER					
81 R --- 2-- ----- ---	368,500.00	202,064.40	368,500.00	52,614.80		315,885.20
81 R --- 9-- ----- ---				2,015.86		-2,015.86
81 R --- --- ----- ---	368,500.00	202,064.40	368,500.00	54,630.66		313,869.34
=====						
81 E --- 1-- ----- ---	239,395.00	108,275.24	238,131.00	74,062.27		164,068.73
81 E --- 2-- ----- ---	24,955.00	9,302.81	49,673.00	8,956.83		40,716.17
81 E --- 3-- ----- ---	51,150.00	9,471.53	50,364.00	3,112.30	8,235.00	39,016.70
81 E --- 4-- ----- ---	25,500.00	7,094.72	25,500.00	4,274.58	134.71	21,090.71
81 E --- 5-- ----- ---	20,000.00		20,000.00			20,000.00
81 E --- 9-- ----- ---	7,500.00	3,409.08	7,500.00	731.05		6,768.95
81 E --- --- ----- ---	368,500.00	137,553.38	391,168.00	91,137.03	8,369.71	291,661.26
=====						
81 - --- --- ----- ---		64,511.02	-22,668.00	-36,506.37	-8,369.71	22,208.08
=====						
Grand Revenue Totals	79,394,629.00	46,431,234.81	39,436,623.00	3,566,101.96		35,870,521.04
Grand Expense Totals	41,696,045.25	15,889,979.50	57,628,727.00	26,824,987.07	512,824.31	30,290,915.62
Grand Totals	37,698,583.75	30,541,255.31	18,192,104.00	23,258,885.11	512,824.31	5,579,605.42
	Profit	Profit	Loss	Loss	Loss	Profit

<u>Fd</u>	<u>T</u>	<u>Loc</u>	<u>Obj</u>	<u>Func</u>	<u>Prj</u>	<u>Src</u>	<u>2019-20</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2020-21</u>	<u>Encumbered</u>	<u>Unencumbered</u>
							<u>Revised Budget</u>	<u>FYTD Activity</u>	<u>Original Budget</u>	<u>FYTD Activity</u>	<u>Amount</u>	<u>Balance - YTD Act</u>
Number of Accounts:							2538					

***** End of report *****



**EXECUTIVE SUMMARY
FOR THE SHOREWOOD SCHOOL BOARD**

Topic: Monthly Financial Reports

Date: January 26, 2021

Prepared by: Roger Dickson

Board Policy Reference:

Recommended action:

- Information only
- Presentation/discussion
- Discussion/action by board of education
- Presentation/action next meeting

Purpose: Financial reports are provided to the Board monthly to assist with monitoring of financial condition and compliance with the adopted budget. Enclosed are the interim financial reports for the period ending December 31, 2020, as well as check registers and cash receipt listings for July thru December.

Notes and Comments: Interim financial reports are not audited by an outside, independent auditor. Transactions are reviewed within the Business Office to ensure proper approvals, compliance with local, state and federal regulations as well as generally accepted accounting principles (GAAP) appropriate for interim reporting.

Budget Status Report

1. General fund revenue is less \$283,000 than the prior year at the same time due primarily to reduced receipts for student and course fees, co-curricular activities, delay in certain state aid payments, and delay in filing for federal grant reimbursements.
2. General fund expenditures are over \$1,000,000 less than the prior year as a result of:

1. Lower costs for substitute teachers and other professional services.
2. Fewer expenditures for supplies, materials and equipment.
3. Lower costs to date for casualty insurance premiums and charges.
3. Revenue and expenditures for the Special Revenue Trust fund vary yearly depending on the timing of gifts and donations, making year to year comparisons imprecise.
4. Expenditures for the Capital Projects fund is based on scheduled construction. Comparison to prior year activity is not valid in most cases. The project is proceeding more quickly than originally scheduled which may result in cash draws ahead of anticipated timing. The situation is being monitored regularly.
5. Both revenue and expenditures for the Community Service funds are lower than the prior year due to offering of fewer programs.

Balance Sheet

1. General Fund cash and investments is \$1,635,600 sufficient for less than one month's expenses. Additional cash will be received in January, primarily property tax receipts.
2. The excess taxes receivable in the General Fund represents the amount to be transferred to the Capital Expansion fund.
3. Liabilities increased \$3,700,000 since the beginning of the year due primarily to \$4,700,000 of temporary cash flow borrowing, offset by liquidation of payroll related liabilities.
4. General Fund equity is \$5,958,000 less than the beginning of the year. This is not unusual at this time of year due to the need to borrow for cash flow purposes and the difference in timing of receipts versus expenditures.
5. Balance Sheet activities for all other funds are normal.

Due to several factors, the Board has not been provided with timely financial reports so far this year. In the future, the Board can expect to receive reports for the prior month on the 2nd meeting of each month. Further, as we complete implementation of Forecast 5 modules, we will be able to provide supplemental reports that could be characterized as less detail, more information.

The following financial reports will be included each month:

1. "Budget Status Report" - summary financial statement of revenues and expenditures for each fund through the date of the report (e.g. 2020-11 is November 30, 2020). This statement will include information for the current and prior year year to date to provide a basis for comparison of the current year performance to the prior year trend.
2. "Cash Receipts" - list of all cash receipts for the month for which the report is prepared. Since these may not have been provided this year, five reports, one each for the months July thru November, are included for this meeting.
3. "Check Register" - list of all checks issued during the month for which the report is prepared. Since these may not have been provided this year, there will be five reports, one each for the months July thru October, in the Jan 12 packet.
4. "Balance Sheet" - report of assets, liabilities and fund equity. The report shows the beginning balance, debits, credits and the ending balance to give the reader information about changes from the beginning of the year.

The executive summary for the financial reports will have notes and comments, if needed, to highlight items that are extraordinary or that may represent a material exception to the approved budget.

**SHOREWOOD SCHOOL DISTRICT
Resolution Designating Public Depositories
and Authorizing Withdrawal of School District Moneys**

RESOLVED, effective January 27, 2021, that the following banking institutions, US Bank, N.A., and North Shore Bank, qualified depositories under Chapter 34, Wisconsin Statutes, shall be and are hereby designated, until further action by the Board of Education of the Shorewood School District, as public depositories for all public money coming into the hands of the treasurer of:

Shorewood School District
1701 E Capitol Drive
Shorewood, WI 53211

Milwaukee County, State of Wisconsin, such deposits authorized in demand deposits, savings deposits, or investments, subject to the limitations of s.s. 66.0603 (1m), Wisc. Stats. unless such deposit is subject to a more restrictive investment provision of state statute.

RESOLVED FURTHER, that withdrawal or disbursement from any one of the above named depositories may be by order check, as provided in s.s 66.0607, Wisc. Stats., that in accordance therewith all order checks shall be signed by the following three (3) persons:

President _____
Paru Shah

Treasurer _____
Pablo Muirhead

Clerk _____
Emily Berry

and shall be so honored.

RESOLVED FURTHER, that in lieu of their personal signatures, facsimile signatures, which have been adopted by them, may be affixed on such order check(s); that any one of the above named depositories shall be fully warranted and protected in making payment on any order check bearing such facsimiles notwithstanding that the same may have been placed thereon without the authority of the designated person or persons.

RESOLVED FURTHER, that withdrawal or disbursement from any one of the above named depositories may be made by money transfer techniques on the authority of Brigitte Potter, accountant, or Bryan Davis, superintendent, only between accounts of the Shorewood School District opened in the above named public depositories, the Local Government Pooled Investment Fund, the Wisconsin School District Liquid Asset Fund and PMA Financial Network, Inc.

RESOLVED FURTHER, that withdrawal for payment of debt or other obligations of the Shorewood School District may be authorized from the Local Government Pooled Investment Fund, the Wisconsin School District Liquid Asset Fund, or PMA Financial Network, Inc. by Brigitte Potter or Bryan Davis, such withdrawal shall be subject to confirmation by the other individual named in this paragraph, or Roger J Dickson, Interim Director of Business Services.

RESOLVED FURTHER, that payment of obligations of the Shorewood School District may be made through the use of money transfer techniques, including direct deposit, electronic funds transfer and automated clearing house methods authorized by Brigitte Potter, Bryan Davis, Jill Curci, payroll, or Jessica McCabe, accounts payable, such payment to be subject to confirmation by any other person named in this paragraph, or Roger J Dickson, Interim Director of Business Services.

RESOLVED FURTHER, that establishment of accounts within the above designated public depositories, the Local Government Pooled Investment Fund, the Wisconsin School District Liquid Asset Fund or PMA Financial Network, Inc. shall be made only by written authorization of Bryan Davis.

FURTHER RESOLVED, that a certified copy of this resolution shall be delivered to each of the above named depositories, and said depositories may rely on this resolution until changed by lawful resolution and a certified copy of such resolution has been delivered to the respective above named depository.

FURTHER RESOLVED, the above named Board of Education members, Bryan Davis, Brigitte Potter, Jill Curci, Jessica McCabe and Roger Dickson shall be immune from prosecution and held harmless from any losses that may occur due to the failure of any depository to return capital and/or accrued interest to the district.

The foregoing is a true and correct copy of a resolution duly and legally adopted by the Board of Education of the Shorewood School District at a legal meeting held on the 26 day of January, 2021.

Board President

District Clerk

SHOREWOOD SCHOOL DISTRICT
Excerpts from Wisconsin Statutes Related to
Banking Practices for School Districts

66.0607 Withdrawal or disbursement from local treasury.

- (3) Except as provided in subs. (2), (3m) and (5), disbursements of county, city, village, town or school district funds from demand deposits shall be by draft or order check and withdrawals from savings or time deposits shall be by written transfer order. Written transfer orders may be executed only for the purpose of transferring deposits to an authorized deposit of the public depositor in the same or another authorized public depository. The transfer shall be made directly by the public depository from which the withdrawal is made. No draft or order check issued under this subsection may be released to the payee, nor is the draft or order check valid, unless signed by the clerk and treasurer. No transfer order is valid unless signed by the clerk and the treasurer. Unless otherwise directed by ordinance or resolution adopted by the governing body, a certified copy of which shall be filed with each public depository concerned, the chairperson of the county board, mayor, village president, town chairperson or school district president shall countersign all drafts or order checks and all transfer orders. The governing body may also, by ordinance or resolution, authorize additional signatures. In lieu of the personal signatures of the clerk and treasurer and any other required signature, the facsimile signature adopted by the person and approved by the governing body may be affixed to the draft, order check or transfer order. The use of a facsimile signature does not relieve an official from any liability to which the official is otherwise subject, including the unauthorized use of the facsimile signature. A public depository is fully warranted and protected in making payment on any draft or order check or transferring pursuant to a transfer order bearing a facsimile signature affixed as provided by this subsection notwithstanding that the facsimile signature may have been affixed without the authority of the designated persons.
- (3m) A county, city, village, town or school district may process periodic payments through the use of money transfer techniques, including direct deposit, electronic funds transfer and automated clearinghouse methods. The county, municipal or school district treasurer shall keep a record of the date, payee and amount of each disbursement made by a money transfer technique.

66.0603 Investments.

(1g) Definition. In this section, "governing board" has the meaning given under s. 34.01 (1) but does not include a local exposition district board created under subch. II of ch. 229 or a local cultural arts district board created under subch. V of ch. 229.

(1m) Investments.

(a) A county, city, village, town, school district, drainage district, technical college district or other governing board, other than a local professional football stadium district board created under subch. IV of ch. 229, may invest any of its funds not immediately needed in any of the following:

1. Time deposits in any credit union, bank, savings bank, trust company, or savings and loan association which is authorized to transact business in this state.
 2. Bonds or securities issued or guaranteed as to principal and interest by the federal government, or by a commission, board or other instrumentality of the federal government.
 3. Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of this state.
- 3m. Bonds issued by a local exposition district under subch. II of ch. 229.

3p. Bonds issued by a local professional baseball park district created under subch. III of ch. 229.

[66.0603\(1m\)\(a\)3q.](#)

- 3q. Bonds issued by a local professional football stadium district created under subch. [IV of ch. 229](#).
- 3s. Bonds issued by the University of Wisconsin Hospitals and Clinics Authority.
- 3t. Bonds issued by a local cultural arts district under subch. [V of ch. 229](#).
- 3u. Bonds issued by the Wisconsin Aerospace Authority.
- 4. Any security which matures or which may be tendered for purchase at the option of the holder within not more than 7 years of the date on which it is acquired, if that security has a rating which is the highest or 2nd highest rating category assigned by Standard & Poor's corporation, Moody's investors service or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating.
- 5. Securities of an open-end management investment company or investment trust, if the investment company or investment trust does not charge a sales load, if the investment company or investment trust is registered under the investment company act of 1940, [15 USC 80a-1 to 80a-64](#), and if the portfolio of the investment company or investment trust is limited to the following:
 - a. Bonds and securities issued by the federal government or a commission, board or other instrumentality of the federal government.
 - b. Bonds that are guaranteed as to principal and interest by the federal government or a commission, board or other instrumentality of the federal government.
 - c. Repurchase agreements that are fully collateralized by bonds or securities under subd. [5. a. or b.](#)

120.16 School district treasurer; duties. The school district treasurer of a common or union high school district shall:

- (2) Apply for, receive and sue for all money appropriated to or collected for the school district and disburse the same in accordance with this subsection and s. [66.0607](#). Disbursements from the school district treasury shall be made by the school district treasurer upon the written order of the school district clerk after proper vouchers have been filed with the school district clerk. Such disbursements shall be by order check, share draft or other draft and no order check, share draft or other draft is valid nor may it be released to the payee unless signed by the school district clerk and school district treasurer and countersigned by the school district president. In a school district having 5 or more school board members, another school board member may countersign such order checks, share draft or other draft in lieu of the school district president. No order check, share draft or other draft may be drawn for the payment of which money has not been appropriated according to law. The school district treasurer may receive money raised in extracurricular activities. The school board may by resolution authorize the use of facsimile signatures as provided in s. [66.0607 \(3\)](#). A certified copy of the resolution shall be filed with the school district clerk and each public depository concerned.
- (3) Enter in the treasurer's account books all money received and disbursed by the treasurer, specifying the source from which it was received, the person to whom it was paid and the object for which it was paid.
- (4) Present to the annual meeting a written statement of all money received and disbursed by the treasurer during the preceding year.
- (5) Immediately upon receipt, deposit the funds of the school district in the name of the school district in a public depository deposit designated by the school board under s. [120.12 \(7\)](#). Failure to comply with this subsection shall be prima facie grounds for removal from office. When such funds are so deposited, the school district treasurer and his or her bonders are not liable for losses as defined in s. [34.01 \(2\)](#). The interest derived from such funds shall be paid into the school district treasury.
- (6) Withdraw funds of the school district deposited in savings or time deposits by written transfer order in accordance with this subsection and s. [66.0607](#). Written transfer orders may be executed only for the purpose of transferring deposits to an authorized deposit of the school district in the same or another authorized public depository. The transfer shall be made directly by the public depository from which the

withdrawal is made. No transfer order is valid unless signed by the school district clerk and school district treasurer and countersigned by the school district president. In a school district having 5 or more school board members, another school board member may countersign transfer orders in lieu of the school district president. The school board may, by resolution, authorize the use of facsimile signatures as provided in s. [66.0607 \(3\)](#). A certified copy of the resolution shall be filed with the school district clerk and each public depository concerned.

120.12 School board duties. **The school board of a common or union high school district shall:**

(7) DEPOSITORY. Designate one or more public depositories in which the money belonging to the school district shall be deposited and specify whether the moneys shall be maintained in time deposits subject to the limitations of s. [66.0603 \(1m\)](#), demand deposits or savings deposits. When the money is so deposited in the name of the school district, the school district treasurer and bondsmen are not liable for any loss as defined in s. [34.01 \(2\)](#). The interest on such deposits shall be paid into the school district treasury.

66.0609 Financial procedure; alternative system of approving claims.

- (1)** The governing body of a village or of a city of the 2nd, 3rd or 4th class may by ordinance enact an alternative system of approving financial claims against the municipal treasury other than claims subject to s. [893.80](#). The ordinance shall provide that payments may be made from the city or village treasury after the comptroller or clerk of the city or village audits and approves each claim as a proper charge against the treasury, and endorses his or her approval on the claim after having determined that all of the following conditions have been complied with:
 - (a)** That funds are available for the claim pursuant to the budget approved by the governing body.
 - (b)** That the item or service covered by the claim has been duly authorized by the proper official, department head or board or commission.
 - (c)** That the item or service has been actually supplied or rendered in conformity with the authorization described in par. [\(b\)](#).
 - (d)** That the claim is just and valid pursuant to law. The comptroller or clerk may require the submission of proof to support the claim as the officer considers necessary.
- (2)** The ordinance under sub. [\(1\)](#) shall require that the clerk or comptroller file with the governing body not less than monthly a list of the claims approved, showing the date paid, name of claimant, purpose and amount.
- (3)** The ordinance under sub. [\(1\)](#) shall require that the governing body of the city or village obtain an annual detailed audit of its financial transactions and accounts by a certified public accountant licensed or certified under ch. [442](#) and designated by the governing body.
- (4)** The system under sub. [\(1\)](#) is operative only if the comptroller or clerk is covered by a fidelity bond or insurance policy of not less than \$5,000 in villages and 4th class cities, of not less than \$10,000 in 3rd class cities, and of not less than \$20,000 in 2nd class cities, as described in s. [61.25 \(intro.\)](#) or [62.09 \(4\) \(b\)](#).



**EXECUTIVE SUMMARY
FOR THE SHOREWOOD SCHOOL BOARD**

Topic: Designation of Public Depositories

Date: January 26, 2021

Prepared by: Roger Dickson

Board Policy Reference:

Recommended action:

- Information only
- Presentation/discussion
- Discussion/action by board of education
- Presentation/action next meeting

Purpose: Recommend adopt the Resolution Designating Public Depositories and Authorizing Withdrawal of School District Moneys.

Background: Wisconsin Statute and general industry practices make the adoption of a depository resolution practical and important for the Board of Education. The attached resolution meets all requirements of Wisconsin Statutes and represents best practice in regard to communication of Board of Education expectations and limitations on the handling of school district money. The resolution was reviewed by legal counsel. In addition to the resolution itself, an attachment on the Wisconsin Statute excerpts related to the resolution is included.



**EXECUTIVE SUMMARY
FOR THE SHOREWOOD SCHOOL BOARD**

Topic: Extension of COVID-19 Leave

Date: 01/26/21

Prepared by: Kim Salem

-
- Recommended action:**
- Information only
 - Presentation/discussion
 - Discussion/action by committee
 - Discussion/action by board of education
 - Presentation/action next meeting

Recommendation(s): Extend the Families First Coronavirus Response Act (FFCRA) through June 30, 2021.

Background:

Since April 1, 2020, employees have had access to paid FFCRA leave as outlined in The Families First Coronavirus Response Act (FFCRA). The FFCRA expired on 12/31/20, however, the district recognizes the continued need for COVID-related absences. Therefore, the district would like to extend access to the additional paid leave provision of the FFCRA. If an employee has FFCRA time remaining, they would be able to use this leave until 6/30/21. **The district is not adding additional FFCRA leave time.** This provision extends the period of time that an employee can use this type of leave. The qualifying reasons for using FFCRA have not changed. Employees can use up to two weeks (80 hours, or a part-time employee's two-week equivalent) of additional paid sick leave for the following specified reasons:

1. The employee is subject to a Federal, State or local quarantine or isolation order related to COVID-19

2. Has been advised by a health care provider to self-quarantine related to COVID-19.
3. Is experiencing COVID-19 symptoms and is seeking a medical diagnosis
4. Is caring for an individual subject to an order described in #1 or #2.
5. Is caring for his or her child whose school or place of care is closed due to COVID-19 related reasons.

Paid Leave Entitlements

Up to two weeks (80 hours, or a part-time employee’s two-week equivalent) of paid sick leave, paid at:

- 100% for qualifying reasons #1-3 above
- 2/3 for qualifying reasons #4-5 above

We would be pleased to be able to offer this benefit extension within the District for our staff as we recognize that the pandemic is not expected to taper off until we are well into the vaccination availability time frame. We will continue to monitor state and federal regulations and keep all staff informed as they occur. Below is a breakdown of the hours per employee group that have been able to benefit from this entitlement prior to it running out on December 31, 2020:

Emergency Leave, 80 hours Paid at 100%	Total Number of Hours through December 31
Aides	92
Custodians	389.5
Managers	48
Pt. Rec	105.5
Teachers	312
Total	947

Emergency Leave, 2/3 Pay

Aides	116.82
Teachers	144



**EXECUTIVE SUMMARY
FOR THE SHOREWOOD SCHOOL BOARD**

Topic: New Hire- Spanish Teacher

Date: January 26, 2021

Prepared by: Bryan Davis

Recommended action: ___ Information only

___ Presentation/discussion

___ Discussion/action by committee

X Discussion/action by board of education

___ Presentation/action next meeting

Recommendation(s): Approval

Purpose: New Hire

Background: Jefry Rivera Prado will be hired as a 0.1 FTE Spanish teacher at Shorewood High School. Jefry worked as a student teacher first semester at SHS and recently graduated from UW-Milwaukee.



EXECUTIVE SUMMARY FOR THE SHOREWOOD SCHOOL BOARD

Topic: Enrollment Projection

Date: January 26, 2021

Prepared by: Roger Dickson

Board Policy Reference:

Recommended action:

- Information only
- Presentation/discussion
- Discussion/action by board of education
- Presentation/action next meeting

Purpose: Enrollment projections are the basis for budget forecasts for the next 5-years. General agreement on the assumptions to be used and the resulting numbers helps to focus future discussion and decisions related to budget balancing strategies. The attached projection represents management’s recommended enrollment projection to be used for budget planning.

Background: The enrollment projection uses a cohort survival statistical methodology. This method predicts the number of students that will advance from one grade to the next, based on the prior 5 years. In other words, the method looks at past trends to predict future trends. Four separate projections are prepared. The method selected for the recommended enrollment projection is a Weighted Survival Ratio (selected because it has the lowest average error). The “weighted” version of the projection methodologies uses the 4K program as its initial grade data (IGD). Prior to accepting this method, other IGD and weighting options were explored.

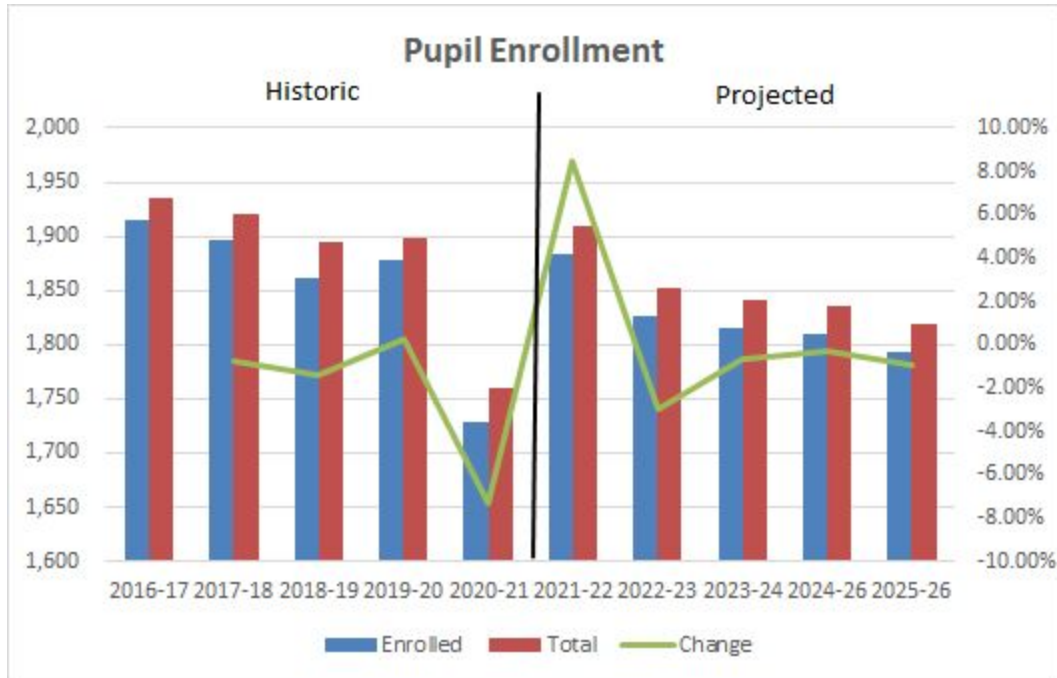
The Weighted Survival Ratio also gives greatest weight to the most recent enrollment numbers. Therefore, this method, without adjustment, would result in a continuing drop in enrollment. Adjustments were considered and determined to be necessary because a significant portion of the enrollment decline between the 2019-20 and 2020-21 school

years was a result of families electing to enroll their children in a school offering traditional instructional delivery versus virtual learning methods offered by Shorewood.

Important data points and assumptions:

1. Enrollment from last year to the current year decreased a total of 150 students as a result of:
 - a. Loss of 36 students as a result of the difference between 12th grade students that graduated and the number of 4K students that enrolled.
 - b. Loss of 123 students that attended last year, remained a resident of the Shorewood School District, but elected to a different school or program.
 - c. Add 9 students that would be considered normal changes due to enrollment decisions or family moves into or out of the district.
2. Consideration of alternative initial grade data (IGD) points changed the error calculation by less than 1/10 of 1%. Therefore, grade 4K is used as the IGD.
3. The projected enrollment for the 2021-2022 school year is an increase of 150 students made up of:
 - a. 102 of the 123 resident students that left this year, for a projected return of 83%.
 - b. 48 students under the state's open enrollment program. The Board approved a total of 64 seats for next year. Included in that number are students currently attending under a one-year tuition waiver option, 16 of which are projected to return next year.

A graphical representation of the enrollment history for the last 5 years and projection for the next 5 years follows on the next page. The table that follows the graph displays historic and projected enrollment by school levels.



**SHOREWOOD SCHOOL DISTRICT
Enrollment Projection Summary**

Historical Data	PRE - K	Elem K	Elem 1 - 6	SIS 7 - 8	High 9 - 12	Total Enrolled	Non-Attending	Total Served	Change
2016-17	6	253	816	277	563	1,915	20	1,935	
2017-18	2	228	826	269	572	1,897	24	1,921	(14)
2018-19	4	199	821	276	561	1,861	33	1,894	(27)
2019-20	0	220	811	275	572	1,878	20	1,898	4
2020-21	4	181	720	270	553	1,728	31	1,759	(139)

Projection	PRE - K	Elem K	Elem 1 - 6	SIS 7 - 8	High 9 - 12	Total Enrolled	Non-Attending	Total Served	Change
2021-22	3	228	807	285	560	1,883	26	1,909	150
2022-23	3	226	765	276	557	1,827	26	1,853	(56)
2023-24	3	224	760	274	554	1,815	26	1,841	(12)
2024-26	3	222	740	284	561	1,810	26	1,836	(5)
2025-26	3	220	769	246	555	1,793	26	1,819	(17)

Total Enrolled' is the number of pupils that attend one of the district schools regardless of the school district in which the pupil resides. 'Non-Attending' are pupils that are residents of the Shorewood School District that have elected to attend a public school in another school district.

The 'Projection' for the 2021-22 school year uses enrolled data from the current year, adjusted for the estimated number of pupils that attended another school based on Shorewood's decision to deliver instruction virtually at the beginning of the year, plus additional students expected to enroll under the state's open enrollment option.

Projection are based on a cohort survival statistical methodology.



**EXECUTIVE SUMMARY
FOR THE SHOREWOOD SCHOOL BOARD**

Topic: Learning Model Updates

Date: 1/26/21

Prepared by: Bryan Davis

-
- Recommended action:** Information only
 Presentation/discussion
 Discussion/action by committee
 Discussion/action by board of education
 Presentation/action next meeting

Recommendation(s): NA

Purpose: Provide an update on our progress in our Learning Model Transitions.

Background:

Learning Model Updates

A great deal of work was completed this week: Blueair purifiers have been delivered and distributed to the classrooms that need them; elementary school teachers and staff prepared classrooms, completed training, and received their PPE supplies; and all school staff have become familiar with the procedures and checklists that will govern activities for K-6 Hybrid student cohorts. District administrators will be at the elementary schools in the early days of next week, and on call, to help where needed in establishing routines for students and families, and in addressing questions and concerns.

The burden level this week is 342. This puts SIS on the clock toward a hybrid transition. If the burden level is under 400 next week, SIS will begin their hybrid model on February 15. The

burden threshold for SHS to begin in a hybrid model is < 300. The earliest SHS would transition to their hybrid model is Monday, February 22nd.

With Hybrid learning underway in the elementary schools, we will be focused on vigilant compliance with our COVID-19 protocols, quick action to address problems, family communications, and implementing the next phases of our Transition Plan. One of the big topics under discussion is how the vaccination of staff influences our learning model. The vaccination makes it safer for our staff to be interacting with students but we won't be at herd immunity any time soon so the transmission of the virus will still be a major concern from a public health standpoint. Ann Christensen, Director of the North Shore Health Department, believes our quantining protocol, including close contacts being people within 6 ft of a positive case for more than 15 minutes in a 24 hours period, will remain throughout the rest of the school year. I asked Donna Whittle to discuss this topic with the Medical Advisory Group to get their feedback. My sense is the vaccination will give us a safe environment for the hybrid model 4K-12 regardless of burden level. Moving into a full face-to-face environment will likely still depend on a particular burden level. I think we can review this information at our second Board Meeting in February. This gives us time to get some experience with our elementary students and get a definitive timeline on our staff vaccination.

The Northshore Health Department will begin offering vaccines to teachers and staff ages 65 and over starting next week. Kelly Barlow (District Nurse) and Joe Patek (District Safety Director) have had follow up discussions with the North Shore Pharmacy about coordinating a vaccination clinic on our High School Campus. We have 375 first doses ready to be ordered from the NS Pharmacy specifically for our staff when Phase 1B expands, which we anticipate to happen early next week. The biggest question is what supply will be available. We are hopeful that all teachers and staff who want a vaccine will receive their first dose by mid-February, with a second dose completed before Spring Break.

Communications

The District's COVID-19 Dashboard and FAQ document have been updated since they were first posted. Following conversations with some District parents (Jim Arndorfer, Traci Clark and Jennifer McIntosh) Katelin put together the following summary:

Feedback from Community Members Regarding Covid-19 Communications

Last week, Katelin Watson spoke with a handful of District parents regarding the District's communications efforts and how our administration/staff can better serve our families. Below is a summary of the feedback she received broken down by concerns/recommendations.

1) Concern: External communications category (website/social media) - Covid-19 information could be more searchable on website; principal/admin communications need to reach those who may not check email thoroughly.

- Recommendation: Multiple Covid-19 pages (this has since been rolled out)
- Continue utilizing District & school social media/Village Manager's memo to reinforce important messages from principals/admins
- Constant repetition of safety measures - can never promote safety measures enough; and can never provide enough detail on health/safety steps.

2) Concern: Internal/External (administration/staff to parents) category - Email overload especially with more than one child in District; More is not better. Friday afternoon/evening is the worst time for sending communications – feels like defensive communication rather than proactive communication. Need improvement in the STRUCTURE of communications. Principal weekly emails have very little actual updates written each week, with most of the info underneath being super repetitive, not effective.

- Recommendation: Change to Sunday evening or Monday morning communications (best practice) with outline of what is needed/happening in the upcoming week;
- Consolidate communications so everything is in one spot - make the most important communication the weekly principal email. Have this email include small blurbs with links to Superintendent and/or Board update so superintendent/Board don't need to send out separate email every time; principal also includes blurb with how to access each classroom website. So admin/principal/teacher communications are all together in one spot. (*Example shared at bottom of document for a recent communication that families liked).
- Principals should remove info from weekly emails after they've run it for two weeks straight & post it on the website for the remainder of time. If parents want old info, they can visit a certain website spot.
- Train families to look in a certain place (on website or in google doc) often for superintendent/Board/principal updates, which can lead to emails providing only the most important necessary info.
- Offer Q&A opportunities with principals at each school?

3) Concern: Internal (administration to staff) category: communications between admin/teachers seems inconsistent as well as from teacher to teacher – parents always turn to teachers as first line of communication (parents trust teachers most) & parents are concerned that some teachers seem more uninformed than others and some schools seem more informed than others.

- Recommendation: possible creation of resources for teachers internally so they stay best informed (FAQ & other safety resources on staff only section of website); Then teachers can be coached on where to find information if they don't know it.
- Teachers could use a consistent template of communication – i.e. all teachers must have a teacher website through Edlio; then every parent would know exactly where to look for all teacher/classroom updates (which could also cut down on teacher emails)
- Hire an online instructional designer for teachers?

4) Concern: Families need more clarity/context on how decisions are made.

- Recommendation: The more context principals/admin can provide on what goes into the decision making the better (ie: stating that admin have met with teachers multiple times prior to decision; families want to know teachers are involved in the decisions; be really clear in what's going into decisions being made.)

5) Concern: Surveys sent are not detailed enough/lack substance; administration needs to offer more options for families to share experiences & feedback.

- Recommendation: Create survey for families regarding communications during Covid-19 to collect feedback on teacher/principal/admin communications (what are we good at ? where do we need to work on? Are the teachers communicating well? Do you like the communications channels?)
- Create focus groups for how to better communications across teachers/principals/administration

Katelin will be working with our staff to review these recommendations to see which of the recommendations can be implemented.



SCHOOL DISTRICT OF SHOREWOOD
Virtual Board Meeting Minutes
January 12, 2021

Board Member Participation: Paru Shah, President

Hilary DeBlois, Vice President

Pablo Muirhead, Treasurer

Emily Berry, Clerk

Clarke Warren, Member at Large

Sadie Cumberbatch, Student Representative

Alexis Hu, Student Representative

Jack Stuhlmacher, Student Representative

District Staff Participation: Bryan Davis, Superintendent

Sam Coleman, Director of Curriculum and Instruction

Jennifer Cosgrove, Lake Bluff Beagle Advisor

Roger Dickson, Interim Director of Business Services

Julie Harris, Director of Special Education and Pupil Services

Stephone Jordan, Shorewood Ripples Advisor

Tim Kenney, Shorewood High School Principal

I. 7:01pm CALL TO ORDER

A. Motion to Adopt the Agenda

MOVED by Clarke Warren and SECONDED by Emily Berry

AYE: 5 NAY: 0

II. 7:04 pm STUDENT ACHIEVEMENT and RESULTS

Student journalism presentations by Lake Bluff and SHS students and advisors

III. 7:24 pm PUBLIC COMMENTS #1

Traci Clark 4144 North Larkin

Kim Robinson 4427 North Farwell

IV. 7:32 pm DISTRICT OPERATIONS

A. Facilities Project Updates, Mike Huffman

B. Learning Model Transition Plan Updates, Bryan Davis and Sam Coleman

C. 2021/2022 Budget Development Timeline, Roger Dickson

V. 9:02 pm SUPERINTENDENT'S ACTION AGENDA

A. Motion to Approve OE-6 Communication with the Board Monitoring Report

MOVED by Pablo Muirhead and SECONDED by Hilary DeBlois

Discussion and Disposition: Not Compliant

AYE: 5 NAY: 0

B. Motion to Approve District Open Enrollment Recommendations of 64 regular education open enrollment seats and 0 special education seats for the 2021-2022 school year, based on the criteria outlined in the District's open enrollment policy.

MOVED by Emily Berry and SECONDED by Clarke Warren

Discussion: history of open seats and student applications, calculations and weighting, tuition waiver students, August adjustments and special education caseloads. AYE: 5 NAY: 0

VI. 9:38 pm SUPERINTENDENT'S CONSENT AGENDA

MOVED by Clarke Warren and SECONDED by Pablo Muirhead AYE: 5 NAY: 0

VII. BOARD ACTION AGENDA

VIII. 9:39 pm BOARD CONSENT AGENDA

MOVED by Emily Berry and SECONDED by Hilary DeBlois AYE: 5 NAY: 0

IX. 9:40 pm PUBLIC COMMENT #2

Heather Cook Elliot 4154 North Lake Drive

Andrew Frey 3820 North Cramer

Julie Wernke 4452 North Ardmore

X. 9:47 pm BOARD GOVERNANCE

Spring Elections

Community-Based Finance Committee

I Love Public Schools Week

Future Board Meetings

Community Linkage Meetings

XI. 10:26 pm REVIEW OF 'TO DO' ITEMS

2020 Audit

Hybrid FAQ for District Families

I Love Public School Week Resolution

XII. 10:28 pm FUTURE AGENDA ITEMS

HRC Liaison

Recreation Department Update

SWSA Update

Education Convention Report

Policy and Work Plan Updates

XIII. 10:30 pm PUBLIC COMMENT #3

Jennifer McIntosh 4436 North Prospect

Traci Clark 4144 North Larkin

Kim Robinson 4427 North Farwell

V. 10:36pm RECESS



2020 – 21 Fall Community Collaboration Meetings

Date: Thursday, January 14, 2021

Group: Shorewood Village Human Relations Commission

Meeting Location: Virtual

Meeting Highlights:

- Public comments:
 - Michelle Waite, Shorewood Moving Forward read letter addressed to the Village of Shorewood and Shorewood Police Department the shooting of Jacob Blake
- MLK service proclamation by President Rozek (see Village Manager's memo January 14, 2021)
- Introduced new Shorewood School District Director for Equity Shari Tucker
 - Discussed her background and an overview of the work to be done with ICS
 - 4 community training sessions regarding ICS coming up, each session capped at 100; village will communicate details
- Steph Salvia, Shorewood BID discussed idea for Shorewood Speaks session
 - Potentially invite Project Onyx as guest speaker to have a commerce discussion for focused on black and brown businesses (e.g. ways to access to capital)
 - <https://projectonyx.org/#content>
- Policy sub-committee is drafting a letter to School District highlighting questions and recommendations for consideration when putting out to bid or renewing contract
- Discussed implementation of the recommendations from the Police study done by Alexander Weiss
- EDI update: inventory analysis forms being reviewed by Sam Coleman during January 2021

SWSA MEETING NOTES

Pablo Muirhead

Entire Membership

(Superintendents & Board Members)

JANUARY 12, 2021

7:30-9:00am

Link to [SLIDES](#)

Highlights – Drs. Khare & Gutzeit (Children’s Hospital)

Given the new strain of the virus, are there any additional precautions schools that have students attending in-person should be taking to prevent the spread?

This was anticipated that there would be shift and drift.

Reinforces us to focus on things that work right now (regardless of the shift of virus); hand hygiene, social distancing, masks, etc.

Will current vaccines be effective?

Preliminary information is that the vaccines do; but we don’t have enough data-We continue to learn about it;

What are the latest findings/recommendations about surface area transmission of COVID-19 and does it affect the recommendations that were made at the onset of the pandemic regarding cleaning protocols?

We haven't changed any cleaning protocols at Children’s. Continue the processes you’ve put in place right now.

We’ve seen fewer of other viruses

There is a conflict between DHS and County Public Health with regards to the 7-day quarantine if there are no symptoms and there is a negative test. DHS states they must still refrain from school and sports. What is your view of the safety around the 7-Day quarantine? *(they are referring to a school based close contact and the additional language the state health department added after several schools implemented the 7-day no symptom/negative test to return to school)*

We know rate of transmission is highest when kids are close to each other in close spaces and breathing actively. At 7 day mark, there is still a risk of transmission.

[Study in American Pediatrics](#) (full study can be found [HERE](#))

Do you think the length of quarantines after exposure could be shortened?

We are not anywhere close to this at this point.

Could quarantines be eliminated if masks were worn and social distancing occurred?

We are not anywhere close to this at this point.

Would the doctors like to share information about how athletes may need to see a cardiologist to participate after having Covid?

At risk kids are kids who had symptomatic illness

Every child who has had covid should have an evaluation by Dr.

Dr. Khare is happy to share recommendations with this group (Terri will forward when available)

State Education Convention

WASB Delegate Assembly

Wednesday, January 20th

1:30-5:10pm

Pablo Muirhead

The following resolutions are highlights from the delegate assembly:

- State sales tax 1% for schools
 - Intended to provide equitable, designated funding for all schools/students.
- Enrollment Hold Harmless
 - Used for revenue limits and per pupil categorical aide to mitigate enrollment fluctuations.
- ACT 31 compliance
 - Asks DPI to provide sufficient curricular resources and PD to ensure that all districts provide instruction on indigenous tribes.
- Assessment & Report Card Waivers
 - During a pandemic, WASB supports legislation that would not require state assessments and subsequently prohibits the DPI from publishing school report cards in the following year.
- Rehiring Retired Teachers and Staff
 - Remove impediments placed during ACT 10 on rehiring teachers/staff.
- Native American Mascots (passed with 73%)
 - Last year it was overwhelmingly defeated. Additionally, it was brought to a vote quickly which in effect silenced voices that wished to speak in favor.
 - A lot transpired in 2020 which may have led to it passing with 73% support.
 - WASB supports the retirement of Native American logos/mascots.