

**GRANTON AREA SCHOOL DISTRICT  
217 NORTH MAIN STREET  
REGULAR SCHOOL BOARD MEETING  
MONDAY, JANUARY 9, 2023 @ 6:45 PM  
GRANTON COMMUNITY LIBRARY**

Amended 1/6/2023

**I. REGULAR BUSINESS**

- A. Call to Order
- B. Roll Call
- C. Verification of Notice to Public
- D. Pledge of Allegiance
- E. Approval of Agenda
- F. Consent Agenda
  - a. Previous Minutes
  - b. Financial Reports
- G. Other
  - a. Spotlight on Education
    - i. District Report Card
    - ii. Achievement Gap Reduction (AGR) Fall Semester Report
    - iii. Student of the Month
    - iv. Staff of the Month

**II. STUDENT COUNCIL REPRESENTATIVE INPUT/REMARKS**

**III. PUBLIC COMMENTS**

**IV. AGENDA ITEMS**

- A. Check Register
- B. Audit Report
- C. Equestrian Club
- D. 2023 Spring Election School Board Candidates
- E. Open Enrollment
- F. Course Offerings for 2023-24
- G. 2023-24 School Calendar
- H. Personnel

**V. OTHER REPORTS**

- A. School Board Committee Reports
- B. Principal's Report
- C. Superintendent's Report
- D. Other

**VI. CORRESPONDENCE**

**VII. EXECUTIVE SESSION**

- A. Convene in Executive Session for the purpose of discussing/taking action under Wisconsin Statute 19.85 (1)(c) Considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility.
- B. Return to Open Session

**VIII. ADJOURNMENT**

This meeting notice may be supplemented in order to comply with Wisconsin's open meetings law. If this notice is supplemented, the final notice will be posted and provided to the media no later than 24 hours prior to the meeting or no later than 2 hours prior to the meeting, in the event of an emergency.

## Granton Area Schol District Bank Balance

Fund	Computer Account	Total as of 12-31-2022
Fund 10-General	10-7110	\$ (505,033.27)
Fund 21-Special Revenue Trust	21-7110	\$ 23,122.63
Fund 27-Package Contract	27-7110	\$ (176,895.33)
Fund 50-Food Service	50-7110	\$ 5,300.50
Fund 80 -Community Service	80-7110	\$ 96,915.14
Total in General Checking Account	-	\$ 83,184.34
Total in Reserve Account	-	\$ 166,256.86
Total for funds 10, 21, 27, 29, 50, & 80	-	
Fund 21 Trust & Agency	21-7121	\$ 15,053.53
Fund 38 & 39-Debt Service	39-7110	\$ 96,682.31
Fund 46 Capital Improvements	46-7110	\$ 83,493.51
Fund 49 Construction Project	49-7110	\$ -
Fund 21 Activity Accounts	21-7110	\$ 109,500.72
Fund 72 Scholarships	72-7110	\$ 95,065.88
Fund 73 Expendable Trust Fund	73-7110	\$ 261,948.62

**I. REGULAR BUSINESS**

I.A. Call to Order

Meeting called to order at 6:45pm by President Theresa Hasz.

I.B. Roll Call

Doug Eichten - here, Mark Elmhorst - here, Dennis Kuehn - here, Theresa Hasz - here, Sheryl Young - here. Also present was District Administrator James Kuchta, Principal Amanda Kraus, Student Council Representative Kennedy Young, District Administrative Assistant Sheila Kind, and seven community/staff members.

I.C. Verification of Notice to Public

Notice to Public was posted at the Granton School, Citizen's State Bank, Granton Post Office, the school website and published in the TRG.

I.D. Pledge of Allegiance

Pledge of Allegiance was led by President Theresa Hasz.

I.E. Approval of Agenda

Motion to approve the agenda as presented. This motion, made by Dennis Kuehn and seconded by Mark Elmhorst. Voice vote. Motion carried.

I.F. Consent Agenda

Motion to approve the consent agenda, which includes minutes of the November 14, 2022 regular board meeting, minutes of the November 15, 2022 special board meetings, and review of financial reports. This motion, made by Sheryl Young and seconded by Douglas Eichten. Voice vote. Motion carried.

<b><u>FINANCIAL REPORT:</u></b>	Net of Funds 10, 21, 27, 29, 50, 80	\$ 203,254.91
	Fund 21 Trust & Agency	\$ 15,049.82
	Fund 38 & 39 Debt Service	\$ 96,631.48
	Fund 46 Capital Improvements	\$ 83,643.72
	Fund 21 Activity Account	\$ 108,042.43
	Fund 72 Scholarships	\$ 93,957.55
	Fund 73 Trust Fund	\$ 261,527.66

I.G. Other

I.G.a. Spotlight on Education

This month's Spotlight on Education was the Mental Health Day presentation, held on December 7.

I.G.a.i. District Report Card

James Kuchta and Amanda Kraus gave a brief report on the Granton School District Report Card. A more detailed report will be given next month.

I.G.a.ii. Student of the Month

Students of the Month are: Elementary - Brynleigh Vine; MS - Perpetua Thomas; and HS - Ashley Hensiak.

I.G.a.iii. Staff of the Month

Kimberly Ganther is the Staff Person of the Month.

**II. STUDENT COUNCIL REPRESENTATIVE INPUT/REMARKS**

Student Council Representative Kennedy Young reported on FFA fruit sale orders; FFA work with Christmas Angel Project; mental health awareness speaker; Visioneers ornament making night; band and choir field trip to see Elf the Musical; Christmas concert dates.

**III. PUBLIC COMMENTS**

There were no public comments this month.

**IV. AGENDA ITEMS**

IV.A. Check Register

Motion to approve checks 44929-44999 & 123120218-123120231 for \$957,653.47 and November payroll. This motion, made by Douglas Eichten and seconded by Mark Elmhorst. Voice vote. Motion carried.

IV.B. Safety Drill Report

Motion to approve the Wisconsin Act 143 School Safety Requirement Checklist for the 2022-23 school year. This motion, made by Douglas Eichten and seconded by Mark Elmhorst. Voice vote. Motion carried.

IV.C. High School Trap League

Brandon Hensiak presented information on starting a school trap league. Motion to approve the start of a Granton High School clay target shooting/trap league team. This motion, made by Mark Elmhorst and seconded by Sheryl Young. Motion carried.

IV.D. Facility Update

Luke Schultz and Jennifer Polacek presented three different concepts for replacing the outside building paneling by the pool. The School Board's direction was to proceed with Concept 2, the interlocking steel and spray foam insulation.

IV.E. Parking Lot

Motion to accept the bid of \$338,776.90 from Marawood Construction Services for lower parking lot. This motion, made by Dennis Kuehn and seconded by Douglas Eichten. Voice vote. Motion carried.

IV.F. Resolution for School Start Date Waiver

Motion to approve the resolution as presented, to waive the September 1 school start date for the 2023-24 school year and have school start on August 22, 2023. This motion, made by Mark Elmhorst and seconded by Dennis Kuehn. Voice vote. Motion carried.

#### IV.G. School Land

Motion to approve the purchase of .62 acres of land from Eric & Meghan Naedler for \$3,720. This motion, made by Sheryl Young and seconded by Dennis Kuehn. Voice vote. Motion carried.

#### IV.H. Transportation

Motion to approve the electric bus grant, as presented. This motion, made by Douglas Eichten and seconded by Dennis Kuehn. Voice vote. Motion carried.

#### IV.I. Personnel

Discussion on personnel items moved to Executive Session.

### V. **OTHER REPORTS**

#### V.A. School Board Committee Reports

There were no School Board Committee reports this month.

#### V.B. Principal's Report

1) Open Campus; 2) Holiday concert season; 3) Coffee klatch with administration.

#### V.C. Superintendent's Report

1) AED's have been replaced; 2) New van update; 3) WASB State Convention registration; 4) Mental Health Day.

#### V.D. Other

### VI. **CORRESPONDENCE**

The School Board received cards from Karl Kramer of Lion Electric.

### VII. **EXECUTIVE SESSION**

#### VII.A. Convene in Executive Session under Wisconsin Statute 19.85 (1)(c)(f)

Motion to convene in Executive Session at 8:41pm for the purpose of discussing/taking action under Wisconsin Statute 19.85 (1)(c)(f) Considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility; considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against persons except where par. (b) applies which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations. This motion, made by Dennis Kuehn and seconded by Douglas Eichten. Roll call vote. Douglas Eichten: Yea, Mark Elmhorst: Yea, Theresa Hasz: Yea, Dennis Kuehn: Yea, Sheryl Young: Yea. Motion carried.

#### VII.B. Return to Open Session

Motion to move from Executive Session to Regular Session at 9:50 pm. This motion, made by Douglas Eichten and seconded by Dennis Kuehn. Roll call vote. Douglas Eichten: Yea, Mark Elmhorst: Yea, Theresa Hasz: Yea, Dennis Kuehn: Yea, Sheryl Young: Yea. Motion carried.

School Board Clerk Douglas Eichten reported no action was taken in Executive Session.

Motion to approve Family Medical Leave (FMLA) for Tammie Cramer. This motion, made by Dennis Kuehn and seconded by Sheryl Young. Voice vote. Motion carried.

**VIII. ADJOURNMENT**

Motion to adjourn at 9:55 pm. This motion, made by Mark Elmhorst and seconded by Sheryl Young. Voice vote. Motion carried.

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Douglas Eichten, Clerk

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Theresa Hasz, President

On Separate Sheet

CHECK		CHECK	INVOICE		INVOICE
NUMBER	VENDOR	DATE	AMOUNT	NUMBER	DESCRIPTION
45000	BAIERL, JOE	12/13/2022	50.00	20221212	Basketball Ref
45001	KNAPMILLER, JACOB	12/13/2022	50.00	20221212	Basketball Ref
123120227	MELROSE-MINDORO SCHO	12/28/2022	-24.00	1234	Wrestling Fee
202200077	WEA MEMBER BENEFITS	12/02/2022	223.85	20221202AD	Payroll accrual
202200077	WEA MEMBER BENEFITS	12/02/2022	1,216.00	20221202AD	Payroll accrual
202200078	WI DEPT OF REVENUE	12/16/2022	15.00	20221202AD	Payroll accrual
202200078	WI DEPT OF REVENUE	12/16/2022	2,473.96	20221202AD	Payroll accrual
202200080	WI DEPT OF REVENUE	12/16/2022	40.85	20221205AD	Payroll accrual
202200082	WEA MEMBER BENEFITS	12/16/2022	223.85	20221216AD	Payroll accrual
202200082	WEA MEMBER BENEFITS	12/16/2022	1,216.00	20221216AD	Payroll accrual
202200083	WI DEPT OF REVENUE	12/16/2022	15.00	20221216AD	Payroll accrual
202200083	WI DEPT OF REVENUE	12/16/2022	2,679.01	20221216AD	Payroll accrual
202200084	EFTPS	12/16/2022	5,149.03	20221216AD	Payroll accrual
202200084	EFTPS	12/16/2022	400.00	20221216AD	Payroll accrual
202200084	EFTPS	12/16/2022	1,295.67	20221216AD	Payroll accrual
202200084	EFTPS	12/16/2022	5,540.12	20221216AD	Payroll accrual
202200089	EFTPS	12/16/2022	1,295.67	20221216AF	Payroll accrual
202200090	EFTPS	12/16/2022	5,540.12	20221216AF	Payroll accrual
202200091	WI DEPT OF REVENUE	12/16/2022	76.05	Garn	12/16 Garnishment
202200092	CITIZEN'S STATE BANK	12/30/2022	780.00	20221230AD	Payroll accrual
202200093	WEA MEMBER BENEFITS	12/30/2022	223.85	20221230AD	Payroll accrual
202200093	WEA MEMBER BENEFITS	12/30/2022	1,216.00	20221230AD	Payroll accrual
202200094	WI DEPT OF REVENUE	12/30/2022	65.00	20221230AD	Payroll accrual
202200094	WI DEPT OF REVENUE	12/30/2022	2,423.38	20221230AD	Payroll accrual
202200095	EFTPS	12/30/2022	4,644.45	20221230AD	Payroll accrual
202200095	EFTPS	12/30/2022	425.00	20221230AD	Payroll accrual
202200095	EFTPS	12/30/2022	1,152.08	20221230AD	Payroll accrual
202200095	EFTPS	12/30/2022	4,926.19	20221230AD	Payroll accrual
202200095	EFTPS	12/30/2022	1,152.08	20221230AF	Payroll accrual
202200095	EFTPS	12/30/2022	4,926.19	20221230AF	Payroll accrual
202200096	CITIZEN'S STATE BANK	12/02/2022	780.00	20221202AD	Payroll accrual
202200097	CITIZEN'S STATE BANK	12/16/2022	780.00	20221216AD	Payroll accrual
202200098	WI DEPT OF REVENUE	12/30/2022	84.22	12/30/22	12/30/22 GARNISHMENT

Totals for checks

51,054.62

+ 30,386.80

\* 81,441.42

FUND SUMMARY

<u>FUND</u>	<u>DESCRIPTION</u>	<u>BALANCE SHEET</u>	<u>REVENUE</u>	<u>EXPENSE</u>	<u>TOTAL</u>
10	GENERAL FUND	43,604.19	0.00	76.00	43,680.19
27	SPECIAL EDUCATION	3,380.95	0.00	0.00	3,380.95
50	FOOD SERVICE FUND	1,134.53	0.00	0.00	1,134.53
80	COMMUNITY SERVICE FUND	2,858.95	0.00	0.00	2,858.95
***	Fund Summary Totals ***	50,978.62	0.00	76.00	51,054.62

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

Check Number	Vendor Name	Check Date	Check Amount	Invoice Number	Invoice Description
202200079	EFTPS	12/02/22	\$ 11,331.70	20221202AD1FED	Payroll accrual
202200081	EFTPS	12/05/22	\$ 266.40	20221205AD1FED	Payroll accrual
202200084	EFTPS	12/16/22	\$ 12,384.82	20221216AD1MEDD	Payroll accrual
202200085	EFTPS	12/02/22	\$ 1,177.58	20221202AF1MEDB	Payroll accrual
202200086	EFTPS	12/02/22	\$ 5,035.05	20221202AF1SSB	Payroll accrual
202200087	EFTPS	12/05/22	\$ 36.25	20221205AF1MEDB	Payroll accrual
202200088	EFTPS	12/05/22	\$ 155.00	20221205AF1SSB	Payroll accrual
			<b>\$ 30,386.80</b>		

General 1 Acct - Vendor History (Dates: 12/09/22 - 12/31/22)

CHECK NUMBER	CHECK VENDOR	CHECK DATE	INVOICE AMOUNT	INVOICE NUMBER	INVOICE DESCRIPTION
45002	GRANTON AREA SCHOOL	12/13/2022	820.00	cash	Growing Granton Stronger-Bingo Cash & Prizes
45002	GRANTON AREA SCHOOL	12/21/2022	-820.00	cash	Growing Granton Stronger-Bingo Cash & Prizes
45003	SECURITY HEALTH PLAN	12/13/2022	241.15	ARACO21311	WILLIAMS, G
45003	SECURITY HEALTH PLAN	12/13/2022	212.76	ARACO21311	WILLIAMS, D
45004	GRANTON HARDWARE	12/14/2022	222.55	102933	MISCELLANEOUS HARDWARE
45005	HUEBSCH	12/14/2022	58.61	10300122	LINEN SERVICE
45005	HUEBSCH	12/14/2022	58.61	10297902	LINEN SERVICE
45005	HUEBSCH	12/14/2022	58.61	10295673	LINEN SERVICE
45005	HUEBSCH	12/14/2022	58.61	10293449	LINEN SERVICE
45005	HUEBSCH	12/14/2022	58.61	10291236	LINEN SERVICE
45006	INDIANHEAD FOOD SERV	12/14/2022	122.76	338877	LUNCH SUPPLIES
45006	INDIANHEAD FOOD SERV	12/14/2022	404.26	338882	FFVP
45006	INDIANHEAD FOOD SERV	12/14/2022	21.45	338887	COMMODITIES
45006	INDIANHEAD FOOD SERV	12/14/2022	540.24	338890	LUNCH SALAD BAR
45006	INDIANHEAD FOOD SERV	12/14/2022	965.16	338895	BREAKFAST
45006	INDIANHEAD FOOD SERV	12/14/2022	1,870.98	338896	LUNCH
45007	MUELLER ELECTRIC OF	12/14/2022	1,739.50	17747	INSTALL LIGHT SWITCHES IN GYM
45008	MULTISENSORY LEARNIN	12/14/2022	108.90	01	BASIC PHONETIC READER SET
45009	NELCO	12/14/2022	194.15	8230461	BLANK W2 FORMS
45010	SCHMITT MUSIC	12/14/2022	131.17	01	MUSIC PURCHASES
45011	SECURITY HEALTH PLAN	12/14/2022	66,305.79	100393	Security Health Plan Health Insurance - Jan Covg
45012	TP PRINTING COMPANY	12/14/2022	1,250.66	208992	NOVEMBER TRG PRINTING
45013	CRAIG, MARK	12/16/2022	50.00	12/16/2022	BBB REF
45014	LINDNER, JUDY	12/16/2022	50.00	12/16/22	BBB Ref
45015	CITIZEN'S STATE BANK	12/16/2022	80.56	Kwik Trip	Van Fuel - FFA
45015	CITIZEN'S STATE BANK	12/16/2022	350.00	Google ADS	Monthly Fee
45015	CITIZEN'S STATE BANK	12/16/2022	26.80	Goolge ADS	Google Annual Fees
45015	CITIZEN'S STATE BANK	12/16/2022	25.47	PIZZA HUT	LUNCH FOR WIN TIME - TRACTOR CLUB
45015	CITIZEN'S STATE BANK	12/16/2022	166.00	KUCR CRL W	TEACHER PD
45015	CITIZEN'S STATE BANK	12/16/2022	181.94	OTC Brands	HOMECOMING/PROM
45015	CITIZEN'S STATE BANK	12/16/2022	231.16	Menards	HAUNTED FOREST
45015	CITIZEN'S STATE BANK	12/16/2022	235.00	Slate Conf	Registration-H. Larson
45015	CITIZEN'S STATE BANK	12/16/2022	235.00	Slate Conf	Registration J. Legrid
45015	CITIZEN'S STATE BANK	12/16/2022	44.08	Walmart	Aumann SUPPLIES
45015	CITIZEN'S STATE BANK	12/16/2022	635.40	NHS Fundra	JUST FUNDRAISING
45015	CITIZEN'S STATE BANK	12/16/2022	218.00	Title Conf	Glacier Hotel- Stina & Kim A. 1 Rm.
45015	CITIZEN'S STATE BANK	12/16/2022	218.00	Title Conf	Glacier Hotel-Mary Jo & Laura
45015	CITIZEN'S STATE BANK	12/16/2022	70.40	Positive P	Student Report Card Rewards
45015	CITIZEN'S STATE BANK	12/16/2022	78.23	USPS	Postage
45015	CITIZEN'S STATE BANK	12/16/2022	100.00	Paypal CES	Stina Assessment Training
45015	CITIZEN'S STATE BANK	12/16/2022	32.56	Walmart2	Aumann Student Rewards
45015	CITIZEN'S STATE BANK	12/16/2022	348.90	Image Mark	T-SHIRTS/SC
45015	CITIZEN'S STATE BANK	12/16/2022	1,234.25	187739	Barefoot Moto FFA T-Shirts
45015	CITIZEN'S STATE BANK	12/16/2022	268.00	Kalahari R	Slate Conf 2 nights H. Larson
45015	CITIZEN'S STATE BANK	12/16/2022	134.00	Kahlahari	Slate Conf Legrid- 1 night
45015	CITIZEN'S STATE BANK	12/16/2022	12.99	CANVA	Software Monthly Fee
45016	AMAZON	12/16/2022	18.99	8365696993	SPREADER/CASTER WHEELS
45016	AMAZON	12/16/2022	1,309.89	4334358737	DAYCARE SUPPLIES
45016	AMAZON	12/16/2022	107.96	7749876857	LESSON GUIDES
45016	AMAZON	12/16/2022	28.99	6478767484	UNIFIX 1-120 NUMBER LINE
45016	AMAZON	12/16/2022	34.50	7494494438	TABLE LEGS

CHECK NUMBER	VENDOR	CHECK DATE	AMOUNT	INVOICE NUMBER	INVOICE DESCRIPTION
45016	AMAZON	12/16/2022	23.98	9398857977	FUN EXPRESS PAINT CHIP SUPPLY STRIPS
45016	AMAZON	12/16/2022	21.03	5884573434	JANSEN SUPPLIES
45016	AMAZON	12/16/2022	71.97	6495833534	KAZOOS
45016	AMAZON	12/16/2022	138.60	4545695767	PENCIL SHARPENERS
45016	AMAZON	12/16/2022	35.37	4594594675	ENGLISH MADE EASY
45016	AMAZON	12/16/2022	242.93	6443946937	DAYCARE SUPPLIES
45017	DELTA DENTAL OF WI	12/20/2022	4,117.12	1866206	DENTAL DEC 22
45018	EAST SIDE JERSEY DAI	12/20/2022	397.88	9043932	MILK
45018	EAST SIDE JERSEY DAI	12/20/2022	585.61	9040399	MILK INVOICE MINUS CREDITS
45018	EAST SIDE JERSEY DAI	12/20/2022	644.59	9034227	MILK INVOICE
45019	PH HOSPITALITY GROUP	12/20/2022	225.75	1327032000	PIZZA HUT STUDENT LUNCHES
45019	PH HOSPITALITY GROUP	12/20/2022	129.50	0132703200	PIZZA HUT STUDENT LUNCHES
45020	REALITY WORKS	12/20/2022	2,249.00	42328	VET TRAINER-BOVINE (CTE \$)
45021	TEAM SPORTING GOODS	12/20/2022	29.40	AAG025775	TAPE
45021	TEAM SPORTING GOODS	12/20/2022	159.00	AAG025553	BADMINTON RAQUETS
45022	GRANTON AREA SCHOOL	12/21/2022	820.00	Bingo Cash	Growing Granton Stronger-Bingo Cash & Prize
45022	GRANTON AREA SCHOOL	12/22/2022	-820.00	Bingo Cash	Growing Granton Stronger-Bingo Cash & Prize
45023	PETTY CASH	12/21/2022	820.00	Bingo Cash	Growing Granton Stronger-Bingo Cash & Prize
45024	BATTERIES PLUS BULBS	12/27/2022	57.60	F56761837	DURACELL BATTERIES
45025	CARQUEST AUTO PARTS	12/27/2022	485.55	30-NOV-22	July and August Invoices (Past Due Payment On Parts)
45026	CESA # 10	12/27/2022	1,323.00	2002300146	Owner's Rep Services Time and Materials
45026	CESA # 10	12/27/2022	40.00	2002300166	Asbestos Awareness Training
45027	DEPARTMENT OF ADMINI	12/27/2022	1,500.00	505-000007	TEACH Services
45028	EAST SIDE JERSEY DAI	12/27/2022	347.95	9047639	1% milk/1% Choc Milk
45029	ECOLAB PEST	12/27/2022	170.33	8405780	Cockroach/Rodent Program
45030	GOPHER SPORT	12/27/2022	395.25	IN233845	PE SUPPLIES
45031	GROSS MOTORS INC	12/27/2022	1,014.85	478291	2009 Chevy Impala: Body Repair-Labor-Materials
45032	H & S PROTECTION SYS	12/27/2022	402.05	R86941	Security System Monitoring - Annual For Period Dec 1, 2022 to Nov 30, 2023
45033	HUEBSCH	12/27/2022	58.61	10302321	Dust Mops/Linen Soil Bags
45034	JOSTENS	12/27/2022	150.45	29656527	Class 2023 Diploma Covers
45035	MADISON NATIONAL LIF	12/27/2022	602.29	1531677	December Premium
45036	MARSHFIELD CLINIC	12/27/2022	108.00	11182022	Bus Driver - Physical
45037	MID-STATE TECHNICAL	12/27/2022	1,521.54	MSTC--SF--	English Comp 1 - Oral Communications x2 Andrew k, Madison M, Faustina T
45038	MID-STATE TRUCK	12/27/2022	92.24	30NOV22	556239M/556890M
45039	MISSISSIPPI WELDERS	12/27/2022	50.05	3908743	Line Switch
45039	MISSISSIPPI WELDERS	12/27/2022	100.70	3933926	126 CF Compressed Gases
45039	MISSISSIPPI WELDERS	12/27/2022	39.00	1538466	Acetylene Cylinders
45040	NASCO	12/27/2022	64.56	369688	SCIENCE SUPPLIES
45041	NEWS PUBLISHING CO I	12/27/2022	84.00	BRF111452	Bookkeeper Ad
45041	NEWS PUBLISHING CO I	12/27/2022	84.00	BRF112867	Bookkeeper Ad
45042	O'REILLY AUTO PARTS	12/27/2022	8.89	2099413748	Part - Fleet
45043	OAK RIDGE CHEMICAL I	12/27/2022	113.35	077831	DRAIN HOSE
45044	ORIENTAL TRADING COM	12/27/2022	265.64	721655868-	Attitude and Effort Prizes
45045	PROVISION PARTNERS C	12/27/2022	3,000.18	11/30/2022	November Invoices - Diesel
45046	ROGERS GROCERY	12/27/2022	518.96	29982	Food - School Counseling -

CHECK NUMBER	VENDOR	CHECK DATE	AMOUNT	INVOICE NUMBER	INVOICE DESCRIPTION
45046	ROGERS GROCERY	12/27/2022	50.25	29975	Get Kids Ahead
45047	SAVVAS LEARNING COMP	12/27/2022	1,030.00	PMT DIFF	Honor Roll Breakfast
45048	SCHILLING PAPER COMP	12/27/2022	408.65	897032-00	Short paid multiple invoices
45049	SCHOLASTIC INC	12/27/2022	561.90	M7286069	Ice Melt
					Scholastic News - Science Pin - Lets Find Out - My Big World (Elementary)
45050	SCHOOL NURSE SUPPLY	12/27/2022	444.47	0920789-IN	NURSE SUPPLY
45051	SCHOOL SPECIALITY	12/27/2022	162.23	2081312714	KLEIN SUPPLIES
45051	SCHOOL SPECIALITY	12/27/2022	151.64	2081312622	ART SUPPLIES
45052	T-MOBILE	12/27/2022	30.00	DEC2022	Mobile Internet - Dec.
45053	TEACHER SYNERGY LLC	12/27/2022	3,850.00	ZINV000177	RESOURCE LICENSE-TPT
45054	TEAM SPORTING GOODS	12/27/2022	409.40	AAG025994	Basketball Supplies
45055	VERIZON WIRELESS	12/27/2022	640.22	9921316223	Past Due Amount and Currently Monthly Charge
45056	WASB	12/27/2022	444.32	100405	RWB Office Time
45057	WE ENERGIES	12/27/2022	1,023.39	4384396922	Gas Services - November
45058	XCEL ENERGY	12/27/2022	5,456.56	807499158	Service 11/06/22 - 12/07/2022
45062	GALE-ETTRICK-TREMPEA	12/29/2022	24.00	1234	Wrestling Fee
45063	FRIEMOTH, FAYE	12/30/2022	230.00	12302022	12-30-2022 half of payroll missed
Totals for checks			118,559.40		

missing  
45059  
45060  
45061  
ran under payroll  
cesa 5 used AP check numbers

FUND SUMMARY

<u>FUND</u>	<u>DESCRIPTION</u>	<u>BALANCE SHEET</u>	<u>REVENUE</u>	<u>EXPENSE</u>	<u>TOTAL</u>
10	GENERAL FUND	64,624.61	0.00	36,819.52	101,444.13
21	TRUST FUNDS	0.00	0.00	2,675.73	2,675.73
27	SPECIAL EDUCATION	2,652.24	0.00	0.00	2,652.24
50	FOOD SERVICE FUND	3,315.29	0.00	6,256.13	9,571.42
80	COMMUNITY SERVICE FUND	663.06	0.00	1,552.82	2,215.88
***	Fund Summary Totals ***	71,255.20	0.00	47,304.20	118,559.40

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

CHECK NUMBER	VENDOR	CHECK DATE	AMOUNT	INVOICE NUMBER	INVOICE DESCRIPTION
20369	CHILI CORNERS	11/18/2022	647.00	10-1 FFA B	FFA BANQUET
20370	CITIZEN'S STATE BANK	11/18/2022	635.40	NHS FUNDRA	JUST FUNDRAISING
20370	CITIZEN'S STATE BANK	11/18/2022	25.95	PICK N SAV	HALLOWEEN PRIZES-SC
20370	CITIZEN'S STATE BANK	11/18/2022	50.00	DOLLAR STO	HAUNTED FOREST-SUPPLIES
20370	CITIZEN'S STATE BANK	11/18/2022	348.90	IMAGE MARK	T-SHIRTS/SC
20371	GRANTON AREA SCHOOL	11/18/2022	46.15	FFA	MILK FOR BANQUET
20372	GRANTON FFA ALUMNI	11/18/2022	76.66	SAMS CLUB	HAUNTED FOREST-CONCESSIONS
20372	GRANTON FFA ALUMNI	11/18/2022	111.00	REMBSE	BOWLING-FFA
20373	JOSTENS	11/18/2022	33.50	32211	YEARBOOK DEPOSIT INV
20374	LARSON, HOLLY	11/18/2022	9.88	REMBSE	ROGER'S-PAWS
20375	MENARDS	11/18/2022	517.63	FFA	HAUNTED FOREST
20376	SUNSET PLAYHOUSE	11/18/2022	418.00	BAND	ACT FUND
20377	WALZ, DALE	11/18/2022	40.88	REMBSE	HAUNTED FOREST-KEROSENE
20378	WOLLER, ANNETTE	11/18/2022	25.00	REMBSE	GREEN TEAM
20379	KLEIN, DANA	11/22/2022	136.57	REMBSE	VISIONEERS
20380	SCHOESSOW, COURTNEY	11/22/2022	396.77	REMBSE	PARADISE RANCH
20381	SCHOLASTIC BOOK FAIR	11/22/2022	1,997.40	BOOK FAIR	22-23
20382	CITIZEN'S STATE BANK	11/22/2022	1,438.00	BAREFOOT A	FFA SUPPLIES
20383	CF-ADVERTISING	12/02/2022	727.25	642	coffee
20384	SUNSET PLAYHOUSE	12/02/2022	418.00	02	
20385	RITE BITE FUNDRAISIN	12/13/2022	2,817.00	122110402	Student Council Butterbraids
20386	AMAZON	12/16/2022	76.98	4337393596	HOMECOMING SUPPLIES
20387	ANDERSONS.COM	12/28/2022	110.62	2137212	TIERRA/CROWN
20388	FLORIDA FARM BUREAU	12/28/2022	4,563.00	34900	Nuts from FFA Fundraiser
20389	JBC SCREENPRINTING	12/28/2022	140.34	14081	Senior T-shirts
20390	RUSS DAVIS WHOLESALE	12/28/2022	18,805.00	05095899	FFA Fruit Sale - Fruit
Totals for checks			34,612.88		

FUND SUMMARY

<u>FUND</u>	<u>DESCRIPTION</u>	<u>BALANCE SHEET</u>	<u>REVENUE</u>	<u>EXPENSE</u>	<u>TOTAL</u>
21	TRUST FUNDS	0.00	0.00	34,612.88	34,612.88
***	Fund Summary Totals ***	0.00	0.00	34,612.88	34,612.88

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

# December Benefit Expenditures

## December 2, 2022 Payroll

Medicare	\$	1,187.19
FICA	\$	5,076.13
WRS	\$	4,999.20
Dental	\$	1,699.34
Health	\$	27,723.33
LTD	\$	244.95

## December 16, 2022 Payroll

Medicare	\$	1,295.67
FICA	\$	5,540.12
WRS	\$	5,416.60
Dental	\$	1,645.99
Health	\$	26,730.47
LTD	\$	245.48

## December 30, 2022 Payroll

Medicare	\$	1,152.08
FICA	\$	4,926.19
WRS	\$	4,429.00
Dental	\$	1,699.34
Health	\$	27,499.99
LTD	\$	234.53

## Check Approvals

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Fund	Account	Total Amount	Check Number Range
10-80	Old General	\$ 81,441.42	(4500-45001) (123120227) (202200077-202200098)
10-80	General1	\$ 118,559.40	(45002-45063)
21	Activity	\$ 34,612.88	(20369-20390)

**SCHOOL DISTRICT OF GRANTON**

**Annual Financial Report**

**June 30, 2022**

DRAFT 12.10.22

# SCHOOL DISTRICT OF GRANTON

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# SCHOOL DISTRICT OF GRANTON

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**INDEPENDENT AUDITORS' REPORT**

DRAFT 12.10.22

## INDEPENDENT AUDITORS' REPORT

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

### Report on the Audit of the Financial Statements

#### *Opinions*

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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

To the Board of Education  
School District of Granton

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

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

Accounting principles generally accepted in the United States of America require that the schedules of employer's proportionate share of the net pension liability (asset) and employer contributions – Wisconsin Retirement System and the schedule of revenues, expenditures and changes in fund balance - budget and actual – general fund on pages 29 through 33 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

To the Board of Education  
School District of Granton

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 Government 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.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise School District of Granton's basic financial statements. The combining nonmajor governmental fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. The accompanying schedule of state financial assistance is presented for purposes of additional analysis as required by *Wisconsin State Single Audit Guidelines* and the *Wisconsin Public School District Audit Manual*, issued by the Wisconsin Department of Public Instruction and is also not a required part of the basic financial statements.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated \_\_\_\_\_, 2022 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.

*KerberRose SC*

**KerberRose S.C.**  
**Certified Public Accountants**  
Appleton, Wisconsin  
\_\_\_\_\_, 2022

**FINANCIAL STATEMENTS**

DRAFT 12.10.22

**SCHOOL DISTRICT OF GRANTON**

District-Wide Statement of Net Position

As of June 30, 2022

	<b>Governmental Activities</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and Investments	\$ 623,144
Receivables:	
Taxes	340,660
Accounts	5,725
Due from Other Governments	35,636
Due from State Government	3,376
Due from Federal Government	1,402,324
<b>Total Current Assets</b>	<u>2,410,865</u>
<b>Noncurrent Assets</b>	
Net Pension Asset	891,017
Capital Assets	
Nondepreciable	50,000
Depreciable, net	2,175,945
<b>Total Noncurrent Assets</b>	<u>3,116,962</u>
<b>TOTAL ASSETS</b>	<u>5,527,827</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Outflows Related to Pension	<u>1,677,837</u>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accounts Payable	209,621
Accrued Interest Payable	377
Accrued Liabilities	80,760
Unearned Revenue	339
Current Portion of Long-Term Obligations	210,000
<b>Total Current Liabilities</b>	<u>501,097</u>
<b>Noncurrent Liabilities</b>	
Noncurrent Portion of Long-Term Obligations	<u>845,000</u>
<b>TOTAL LIABILITIES</b>	<u>1,346,097</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Inflows Related to Pension	<u>2,100,840</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	1,170,945
Restricted	1,123,498
Unrestricted	1,464,284
<b>TOTAL NET POSITION</b>	<u>\$ 3,758,727</u>

See Accompanying Notes

**SCHOOL DISTRICT OF GRANTON**

District-Wide Statement of Activities

For the Year Ended June 30, 2022

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges For Services	Operating Grants and Contributions	Governmental Activities
<b>GOVERNMENTAL ACTIVITIES</b>				
Instruction				
Regular Instruction	\$ 1,222,841	\$ 1,910	\$ 353,158	\$ (867,773)
Vocational Instruction	223,653	-	-	(223,653)
Physical Instruction	66,025	-	-	(66,025)
Special Instruction	173,599	58,596	147,767	32,764
Other Instruction	87,939	32,481	2,367	(53,091)
<b>Total Instruction</b>	<u>1,774,057</u>	<u>92,987</u>	<u>503,292</u>	<u>(1,177,778)</u>
Support Services				
Pupil Services	154,194	-	19,825	(134,369)
Instructional Staff Services	623,456	-	125,174	(498,282)
General Administration Services	430,055	-	-	(430,055)
School Building Administration Services	57,158	-	-	(57,158)
Business Administration	79,419	-	-	(79,419)
Operations and Maintenance of Plant	416,686	-	-	(416,686)
Pupil Transportation Services	125,525	-	7,080	(118,445)
Food Services	259,500	19,328	281,868	41,696
Internal Services	825	-	-	(825)
Central Services	87,067	-	-	(87,067)
Insurance	36,640	-	-	(36,640)
Other Support Services	67,470	-	-	(67,470)
Community Services	238,394	148,360	71,055	(18,979)
Interest and Fiscal Charges	7,002	-	-	(7,002)
Depreciation - Unallocated	153,230	-	-	(153,230)
<b>Total Support Services</b>	<u>2,736,621</u>	<u>167,688</u>	<u>505,002</u>	<u>(2,063,931)</u>
Non-Program Transactions				
Open Enrollment	764,717	-	-	(764,717)
Non-Open Enrollment	25,744	-	-	(25,744)
<b>Total Non-Program Transactions</b>	<u>790,461</u>	<u>-</u>	<u>-</u>	<u>(790,461)</u>
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<u>\$ 5,301,139</u>	<u>\$ 260,675</u>	<u>\$ 1,008,294</u>	<u>(4,032,170)</u>
<b>GENERAL REVENUES</b>				
Property Taxes				1,105,605
State and Federal Aids not Restricted to Specific Functions:				4,052,041
Interest and Investment Earnings				4,227
Miscellaneous				42,703
<b>Total General Revenues</b>				<u>5,204,576</u>
<b>CHANGE IN NET POSITION</b>				1,172,406
<b>NET POSITION - BEGINNING OF YEAR, AS RESTATED</b>				<u>2,586,321</u>
<b>NET POSITION - END OF YEAR</b>				<u>\$ 3,758,727</u>

See Accompanying Notes

**SCHOOL DISTRICT OF GRANTON**

Balance Sheet  
 Governmental Funds  
 As of June 30, 2022

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 623,144	\$ 623,144
Receivables:			
Taxes	340,660	-	340,660
Accounts	-	5,725	5,725
Due from Other Fund	-	41,259	41,259
Due from Other Government	35,636	-	35,636
Due from State Government	3,376	-	3,376
Due from Federal Government	1,392,730	9,594	1,402,324
<b>TOTAL ASSETS</b>	<u>\$ 1,772,402</u>	<u>\$ 679,722</u>	<u>\$ 2,452,124</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 200,646	\$ 8,975	\$ 209,621
Accrued Liabilities	66,213	14,547	80,760
Due to Other Fund	41,259	-	41,259
Unearned Revenue	-	339	339
<b>Total Liabilities</b>	<u>308,118</u>	<u>23,861</u>	<u>331,979</u>
<b>Fund Balances</b>			
Restricted:			
Donor Specified Projects	-	175,092	175,092
Food Service	-	105,839	105,839
Community Service Activities	-	148,383	148,383
Debt Service	-	125,681	125,681
Capital Projects	-	100,866	100,866
Unassigned	1,464,284	-	1,464,284
<b>Total Fund Balances</b>	<u>1,464,284</u>	<u>655,861</u>	<u>2,120,145</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 1,772,402</u>	<u>\$ 679,722</u>	<u>\$ 2,452,124</u>

See Accompanying Notes

**SCHOOL DISTRICT OF GRANTON**

Reconciliation of the Balance Sheet - Governmental Funds to the District-Wide Statement of Net Position  
As of June 30, 2022

**Total Fund Balances - Governmental Funds** \$ 2,120,145

***Total net position reported for governmental activities in the statement of net position is different from the amount reported above as total governmental funds fund balance because:***

Capital assets used in government activities are not financial resources and therefore are not reported in the fund statements. Amounts reported in the statement of net position:

Governmental Capital Asset	6,364,513	
Governmental Accumulated Depreciation	<u>(4,138,568)</u>	2,225,945

Net pension asset is not usable in the current period therefore not reported in the fund financial statements.		891,017
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Some deferred outflows and inflows of resources reflect changes in long-term assets or liabilities and are not reported in the funds.

Deferred Outflows of Resources Related to Pension	1,677,837	
Deferred Inflows of Resources Related to Pension	<u>(2,100,840)</u>	(423,003)

Certain liabilities, including bonds and notes payable, are not due in the current period and therefore not reported in the fund statements. Liabilities reported in the statement of net position that are not reported in the funds balance sheet:

General Obligation Debt	(1,055,000)	
Accrued Interest on General Obligation Debt	<u>(377)</u>	<u>(1,055,377)</u>

<b>Total Net Position - Governmental Activities</b>		<b><u><u>\$ 3,758,727</u></u></b>
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DRAFT 12.10.22

**SCHOOL DISTRICT OF GRANTON**

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2022

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>			
Property Taxes	\$ 765,210	\$ 340,395	\$ 1,105,605
Other Local Sources	38,664	202,185	240,849
Interdistrict Sources	508,612	-	508,612
Intermediate Sources	42,663	-	42,663
State Sources	2,388,292	72,900	2,461,192
Federal Sources	1,821,759	280,023	2,101,782
Other Sources	4,908	7,934	12,842
<b>Total Revenues</b>	<u>5,570,108</u>	<u>903,437</u>	<u>6,473,545</u>
<b>EXPENDITURES</b>			
<b>Instruction</b>			
Regular Instruction	1,291,147	-	1,291,147
Vocational Instruction	238,658	-	238,658
Physical Instruction	69,572	-	69,572
Special Instruction	183,288	-	183,288
Other Instruction	67,153	24,886	92,039
<b>Total Instruction</b>	<u>1,849,818</u>	<u>24,886</u>	<u>1,874,704</u>
<b>Support Services</b>			
Pupil Services	159,064	-	159,064
Instructional Staff Services	654,628	-	654,628
General Administration Services	453,285	-	453,285
School Building Administration Services	72,717	-	72,717
Business Services	86,470	-	86,470
Operations and Maintenance	1,156,263	10,780	1,167,043
Pupil Transportation	128,129	-	128,129
Food Services	-	269,160	269,160
Internal Services	825	-	825
Central Services	87,067	-	87,067
Insurance	36,640	-	36,640
Other Support Services	77,369	-	77,369
Community Services	-	254,043	254,043
Debt Service			
Principal	-	208,000	208,000
Interest and Fiscal Charges	-	9,090	9,090
<b>Total Support Services</b>	<u>2,912,457</u>	<u>751,073</u>	<u>3,663,530</u>
<b>Non-Program Transactions</b>			
General Tuition Payments	25,744	-	25,744
Non-Program Payments	764,717	-	764,717
<b>Total Non-Program Transactions</b>	<u>790,461</u>	<u>-</u>	<u>790,461</u>
<b>Total Expenditures</b>	<u>5,552,736</u>	<u>775,959</u>	<u>6,328,695</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>17,372</u>	<u>127,478</u>	<u>144,850</u>
<b>OTHER FINANCING SOURCE (USE)</b>			
Transfer from Other Funds	-	17,372	17,372
Transfer to Other Funds	(17,372)	-	(17,372)
<b>Total Other Financing Source (Use)</b>	<u>(17,372)</u>	<u>17,372</u>	<u>-</u>
<b>NET CHANGES IN FUND BALANCES</b>	<u>-</u>	<u>144,850</u>	<u>144,850</u>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>1,464,284</u>	<u>511,011</u>	<u>1,975,295</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,464,284</u>	<u>\$ 655,861</u>	<u>\$ 2,120,145</u>

See Accompanying Notes

**SCHOOL DISTRICT OF GRANTON**

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances -  
Governmental Funds to the District-Wide Statement of Activities  
For the Year Ended June 30, 2022

<b>Net Changes in Fund Balances - Total Governmental Funds</b>		\$ 144,850
<b><i>Amounts reported for governmental activities in the statement of activities are different because:</i></b>		
The acquisition of capital assets is reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities.		
Capital outlay reported in governmental fund statements	766,821	
Depreciation expense reported in the statement of activities	<u>(153,230)</u>	
Amount by which capital outlays are more than depreciation in the current period.		613,591
Amounts related to the pension plan benefits that affect the statement of activities but do not affect the fund financial statements.		203,877
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities. The amount of the long-term debt principal payments in the current year is:		
Bonds payable		208,000
In governmental funds interest payments on outstanding debt are reported as an expenditure when paid. In the statement of activities interest is reported as incurred.		
The amount of interest paid during the current period	9,090	
The amount of interest accrued during the current period	<u>(7,002)</u>	
Interest paid is more than interest accrued by:		<u>2,088</u>
<b>Change in Net Position - Governmental Activities</b>		<b><u><u>\$ 1,172,406</u></u></b>

**SCHOOL DISTRICT OF GRANTON**

Statement of Fiduciary Net Position

Fiduciary Fund

As of June 30, 2022

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	<u>Employee Benefit Trust</u>
<b>ASSETS</b>	
Cash and Investments	\$ 254,344
Accounts Receivable	7,605
<b>Total Assets</b>	<u>261,949</u>
<b>NET POSITION</b>	
Restricted	<u>\$ 261,949</u>

DRAFT 12.10.22

**SCHOOL DISTRICT OF GRANTON**  
Statement of Changes in Fiduciary Net Position  
Fiduciary Fund  
For the Year Ended June 30, 2022

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	<u>Employee Benefit Trust</u>
<b>ADDITIONS</b>	
Contributions to Employee-Benefit Trust	\$ 10,000
<b>DEDUCTIONS</b>	
Payments from Employee-Benefit Trust	10,907
<b>CHANGE IN NET POSITION</b>	(907)
<b>NET POSITION - BEGINNING</b>	262,856
<b>NET POSITION - ENDING</b>	<u>\$ 261,949</u>

DRAFT 12.10.22

# SCHOOL DISTRICT OF GRANTON

Notes to Financial Statements

June 30, 2022

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## **Note 1 – Summary of Significant Accounting Policies**

This summary of significant accounting policies of School District of Granton (District) is presented to assist in understanding the District's financial statements. The financial statements and notes are representations of the District's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles (GAAP) and have been consistently applied in the preparation of the financial statements.

The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the District are discussed below.

### **Nature of Operations**

The School District of Granton is organized as a common school district. The District, governed by a seven-member elected school board, operates grades Kindergarten through grade 12 and is comprised of all or part of seven taxing districts.

The accompanying financial statements present the activities of the School District of Granton. The District is not a component unit of another reporting entity nor does it have any component units.

The financial reporting entity consists of (a) organizations for which the stand-alone government is financially accountable and (b) the stand-alone government that is controlled by a separately elected governing body that is legally separate and is fiscally independent. All of the accounts of the District comprise the stand-alone government.

### **District-Wide Financial Statements**

The statement of net position and the statement of activities present financial information about the District's governmental-type activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues included 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) operating grants and contributions. Taxes and other items not properly included as program revenues are reported instead as general revenues.

### **Fund Financial Statements**

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Fund financial statements of the reporting entity are organized into individual funds each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, liabilities, fund equity, revenues, and expenditures.

# SCHOOL DISTRICT OF GRANTON

Notes to Financial Statements

June 30, 2022

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## Note 1 – Summary of Significant Accounting Policies (Continued)

### Fund Financial Statements (Continued)

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

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

### Governmental Funds

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

#### General Fund

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

#### Special Revenue Fund

The special revenue fund is used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

#### Debt Service Funds

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

#### Capital Projects Funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

# SCHOOL DISTRICT OF GRANTON

Notes to Financial Statements

June 30, 2022

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## Note 1 – Summary of Significant Accounting Policies (Continued)

### Fund Financial Statements (Continued)

#### Major Funds

The District reports the following major governmental fund:

General Fund – The general fund is the operating fund of the District. It is used to account for all financial resources of the District except those required to be accounted for in other funds.

#### Non-Major Funds

The District reports the following non-major funds:

Referendum Debt Service Fund – This fund accounts for resources and payments made for principal and interest on long-term obligation debt incurred with referendum approval.

Long-Term Capital Improvement Fund – This fund accounts for payments made for capital acquisitions based on an approved long-term capital improvement plan in which the resources are financed through interfund transfer from the General Fund.

Food Service Fund – This fund accounts for the activities associated with the District's hot lunch and breakfast programs.

Special Revenue Trust Fund - This fund accounts for funds from private gifts and donations from private parties, scholarships for students as well as student activity accounts.

Community Services Fund – This fund accounts for activities serving the community that are funded by property taxes and fees.

#### Fiduciary Fund

Employee Benefit Trust – This fund accounts for resources accumulated to pay post-employment benefits. This post-employment plan is a closed plan with less than 5 remaining beneficiaries receiving benefits. The District has determined this liability is immaterial and not recorded as a result. The District intends to dissolve the trust fund during 2023.

### Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial report.

The district-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

# SCHOOL DISTRICT OF GRANTON

Notes to Financial Statements

June 30, 2022

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## **Note 1 – Summary of Significant Accounting Policies (Continued)**

### **Measurement Focus and Basis of Accounting (Continued)**

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

### **Cash**

The District's cash is considered to be cash on hand, demand deposits, and short-term investments with maturities of three months or less. Cash balances for individual funds are pooled unless maintained in segregated accounts.

State statutes permit the District to invest available cash balances, other than debt service funds, in time deposits of authorized depositories, U.S. Treasury obligations, U.S. agency issues, high grade commercial paper, and the local government pooled-investment fund administered by the State Investment Board. Available balances in the debt service fund may be invested in municipal obligations of the United States and the local government pooled-investment fund.

Donations to the District of securities or other property are considered trust funds and are invested as the donor specifies. In the absence of any specific directions, the District may invest the donated items in accordance with laws applicable to trust investments.

### **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.

### **Property Tax Levy**

The aggregate District tax levy is apportioned and certified by November 6th 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 may be paid in full or in two or more installments with the first installment payable by the subsequent January 31 and a final payment no later than the following July 31. On or before January 15, and by the twentieth of each subsequent month thereafter, the District may be paid by the collecting municipalities its proportionate share of tax collections received through the last day of the preceding month. On or before August 20, the County Treasurer makes full settlement to the District for any remaining balance. The County assumes all responsibility for delinquent real property taxes.

Property taxes are recognized as revenue in the period for which the taxes are levied. The 2021 tax levy is used to finance operations of the District's fiscal year ended June 30, 2022. All property taxes are considered due on January 1<sup>st</sup>, when an enforceable lien is assessed against the property and the taxpayer is liable for the taxes. All taxes are collected within 60 days of June 30<sup>th</sup> and are available to pay current liabilities.

**SCHOOL DISTRICT OF GRANTON**

Notes to Financial Statements

June 30, 2022

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

**Prepaid Items**

Prepaid items are payments made to vendors that will benefit periods beyond the end of the current fiscal year.

**Interfund Activity**

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans) or “advances to/from other funds (i.e. the noncurrent portion of interfund loans).

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures. Reimbursements are when one fund incurs a cost, charges the appropriate benefitting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

**Inventories**

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

**Capital Assets**

Capital assets are reported at actual or estimated historical cost in the district-wide statements. Donated assets are reported at estimated acquisition value at the time received.

The District has a capitalization threshold of \$3,000 or higher and an estimated useful life in excess of one year. Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings and Building Improvements	20 - 50
Furniture and Equipment	5 - 15

Capital assets in the governmental fund financial statements are reported as a capital outlay expenditure.

**Pension**

For purposes of measuring the net pension liability (asset), deferred outflows and 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. See Note 7 for more details.

**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. Principal payments are recorded against the liability and interest payments are recorded as current expenditures.

# SCHOOL DISTRICT OF GRANTON

Notes to Financial Statements

June 30, 2022

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## Note 1 – Summary of Significant Accounting Policies (Continued)

### Long-Term Obligations (Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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. Principal payments and interest payments are recorded as current expenditures in the governmental funds.

### Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources are a consumption of net position by the District that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the District that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses and revenues are deferred until the future periods to which the outflows and inflows are applicable. See Notes 7 for deferred outflows and inflows of resources related to pension.

### Leases

The District adopted GASB Statement No. 87 for the year ended June 30, 2022, which requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognizes as inflows of resources or outflows of resources based on the payment provisions of the contract. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. There were no material leases that were required to be recorded for the year ended June 30, 2022.

### Claims and Judgments

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

### Fund Equity Classifications

#### District-Wide Statements

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

- Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted component of net position – Consists of resources with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

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.

## SCHOOL DISTRICT OF GRANTON

Notes to Financial Statements

June 30, 2022

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### **Note 1 – Summary of Significant Accounting Policies (Continued)**

#### Fund Financial Statements

Fund balance is classified as either 1) nonspendable, 2) restricted, 3) committed, 4) assigned, or 5) unassigned:

Nonspendable fund balance represents amounts that cannot be spent due to form (such as inventories and prepaid amounts) or amounts that must be maintained intact legally or contractually (such as the principal of a permanent fund).

Restricted fund balance represents amounts constrained for a specific purpose by external parties, constitutional provision or enabling legislation.

Committed fund balance represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority. It would require action by the same group to remove or change the constraints placed on the resources. The action to constrain resources must occur prior to year-end; however, the amount can be determined in the subsequent period. The School Board is the decision-making authority that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance.

Assigned fund balance in the general fund represents amounts constrained by the School Board for a specific intended purpose. The District Board has not delegated that authority. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance.

Unassigned fund balance represents amounts not classified as nonspendable, restricted, committed or assigned. The general fund is the only fund that would report a positive amount in the unassigned fund balance.

The District, unless otherwise required by law or agreements, spends funds in the following order: restricted first, then committed, then assigned, and lastly unassigned.

The District has not adopted a minimum fund balance policy.

#### **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 reported amounts and disclosures.

**SCHOOL DISTRICT OF GRANTON**

Notes to Financial Statements

June 30, 2022

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**Note 2 – Cash and Investments**

The debt service fund accounts for its transactions through separate and distinct bank and investment accounts as required by state statutes. All other funds share in common bank and investment accounts.

The District is required to invest its funds in accordance with Wisconsin Statutes. Allowable investments are as follows:

- Time deposits in any credit union, bank, savings bank or trust company maturing in three years or less.
- Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, local professional baseball park district, local professional football stadium district, local cultural arts district or by the University of Wisconsin Hospitals and Clinics Authority.
- Bonds or securities guaranteed by the federal government.
- The Local Government Pooled Investment Fund and the Wisconsin Investment Trust.
- Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- Repurchase agreements with public depositories, with certain conditions.

Additional restrictions could arise from local charters, ordinances, resolutions and grant resolutions of the District.

At June 30, 2022 the bank balance of cash was \$861,721. The District maintains its cash accounts at one financial institution. Custodial credit risk for deposits is the risk that in the event of a bank failure, the District's deposits may not be returned. The District does not have a deposit policy for custodial credit risk.

Deposits in each bank are insured by the FDIC up to \$250,000 for the combined amounts of all time and savings accounts (including NOW accounts) and up to \$250,000 for the combined amounts of all interest and noninterest bearing demand deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund (SDGF) in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual municipalities. This coverage has not been considered in computing the uninsured deposits below:

Fully Insured Deposits	\$	448,990
Uninsured and Uncollateralized		412,731
Total	\$	<u>861,721</u>

The District has established an employee benefit trust fund to pay retiree's post-employment retirement benefits. The trust has \$254,344 invested in the fixed interest annuities, bond mutual funds and equity funds with American United Life insurance Company (AUL), and One American Company, These fixed interest annuities are backed AUL's general account assets. AUL bears the investment risk for the AUL Fixed Interest Account values and for paying interest.

**SCHOOL DISTRICT OF GRANTON**

Notes to Financial Statements

June 30, 2022

**Note 3 – Interfund Receivable, Payable and Transfers**

Interfund receivable and payable as of June 30, 2022, consist of the following:

<u>Payable Fund</u>	<u>Receivable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Special Revenue Fund	<u>\$ 41,259</u>	Year End Cash Flow Timing

The interfund transfers for the year ended June 30, 2022, consisted of the following:

<u>Fund Transferred To:</u>	<u>Fund Transferred From:</u>	<u>Amount</u>	<u>Purpose</u>
Long-Term Capital Improvement Fund	General Fund	<u>\$ 17,372</u>	Future Capital Projects

**Note 4 – Capital Assets**

Capital asset balances and activity for the year ended June 30, 2022 were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Capital Assets, Nondepreciable:				
Land	\$ 50,000	\$ -	\$ -	\$ 50,000
Capital Assets, Depreciable				
Land Improvements	287,074	-	-	287,074
Buildings and Improvements	4,548,814	741,947	-	5,290,761
Furniture and Equipment	711,804	24,874	-	736,678
<b>Total Capital Assets, Depreciable</b>	<u>5,547,692</u>	<u>766,821</u>	<u>-</u>	<u>6,314,513</u>
<b>Less Accumulated Depreciation for</b>				
Land Improvements	(120,135)	(14,354)	-	(134,489)
Buildings and Improvements	(3,338,091)	(100,333)	-	(3,438,424)
Furniture and Equipment	(527,112)	(38,543)	-	(565,655)
<b>Total Accumulated Depreciation</b>	<u>(3,985,338)</u>	<u>(153,230)</u>	<u>-</u>	<u>(4,138,568)</u>
<b>Total Capital Assets, Depreciable, Net</b>	<u>1,562,354</u>	<u>613,591</u>	<u>-</u>	<u>2,175,945</u>
<b>Governmental Activities Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 1,612,354</u>	<u>\$ 613,591</u>	<u>\$ -</u>	<u>\$ 2,225,945</u>

Depreciation expense for the fiscal year ended June 30, 2022 amounted to \$153,230 was not charged to functions.

**SCHOOL DISTRICT OF GRANTON**

Notes to Financial Statements

June 30, 2022

**Note 5 – Long-Term Obligations**

The following is a summary of changes in long-term obligations of the District for the year ended June 30, 2022:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount Due Within One Year</u>
General Obligation Bonds	\$ 1,263,000	\$ -	\$ 208,000	\$ 1,055,000	\$ 210,000

Total interest paid for the year ended June 30, 2022 was \$9,090.

	<u>Original Issuance</u>	<u>Issue Dates</u>	<u>Interest Rates</u>	<u>Dates of Maturity</u>	<u>Balances 6/30/22</u>
General Obligation Bonds	\$ 960,000	12/04/17	0.00%	04/01/27	\$ 960,000
General Obligation Bonds	1,040,000	12/04/17	2.00 - 3.00%	04/01/23	95,000
Total General Obligation Debt					<u>\$ 1,055,000</u>

Aggregate cash flow requirements for the retirement of long-term principal and interest as of June 30, 2022, follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 210,000	\$ 2,850	\$ 212,850
2024	210,000	-	210,000
2025	210,000	-	210,000
2026	210,000	-	210,000
2027	215,000	-	215,000
Total	<u>\$ 1,055,000</u>	<u>\$ 2,850</u>	<u>\$ 1,057,850</u>

The District's legal margin for creation of additional general obligation debt on June 30, 2022 was \$11,516,446.

Equalized valuation of the District	\$ 124,461,423
Statutory limitation percentage	10%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	<u>12,446,142</u>
Total outstanding general obligation debt applicable to debt limitation	\$ 1,055,000
Less: Amounts available for financing general obligation debt	
Debt service fund net of accrued interest	<u>125,304</u>
Net outstanding general obligation debt applicable to debt limitation	929,696
Legal margin for new debt	<u>\$ 11,516,446</u>

## SCHOOL DISTRICT OF GRANTON

Notes to Financial Statements

June 30, 2022

### Note 6 – Fund Equity

Net position reported at June 30, 2022 includes the following:

Net Investment in Capital Assets	
Net Capital Assets	\$ 2,225,945
Less: Related Long-Term Debt Outstanding	(1,055,000)
Net Investment in Capital Assets	<u>1,170,945</u>
Restricted for	
Pension Benefits	468,014
Donor Specified Projects	175,092
Food Service	105,839
Community Service Activities	148,383
Future Debt Service	125,304
Capital Projects	100,866
Total Restricted	<u>1,123,498</u>
Unrestricted	<u>1,464,284</u>
Total District-Wide Net Position	<u>\$ 3,758,727</u>

### Note 7 – Defined Benefit Pension Plan

#### Wisconsin Retirement System

#### General Information About the Pension Plan

**Plan Description.** The Wisconsin Retirement System (WRS) is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

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

# SCHOOL DISTRICT OF GRANTON

Notes to Financial Statements

June 30, 2022

## Note 7 – Defined Benefit Pension Plan (Continued)

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

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.

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

The WRS also provides death and disability benefits for employees.

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

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2012	(7.0)%	(7)%
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17
2019	0.0	(10)
2020	1.7	21
2021	5.1	13

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

During the reporting period, the WRS recognized \$124,845 in contributions from the District.

**SCHOOL DISTRICT OF GRANTON**

Notes to Financial Statements

June 30, 2022

**Note 7 – Defined Benefit Pension Plan (Continued)**

Contribution rates as of June 30, 2022 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers)	6.50%	6.50%

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

At June 30, 2022, the District reported an asset of \$891,017 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020, rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The 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, 2021, the District's proportion was 0.01105456%, which was an decrease of 0.00045574% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the District recognized a reduction in pension expense of \$78,834.

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual experiences	\$ 1,439,394	\$ 103,795
Changes in assumptions	166,233	-
Net differences between projected and actual earnings on pension plan investments	-	1,993,281
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,542	3,764
Employer contributions subsequent to the measurement date	69,668	-
<b>Total</b>	<u>\$ 1,677,837</u>	<u>\$ 2,100,840</u>

The \$69,668 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as an adjustment of the net pension liability (asset) in the year ending June 30, 2023.

# SCHOOL DISTRICT OF GRANTON

Notes to Financial Statements

June 30, 2022

## Note 7 – Defined Benefit Pension Plan (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ending June 30,	Net Deferred Outflows (Inflows) of Resources
2023	\$ (42,580)
2024	(242,284)
2025	(106,326)
2026	(101,481)
	<u>\$ (492,671)</u>

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

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

\* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

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

## SCHOOL DISTRICT OF GRANTON

Notes to Financial Statements

June 30, 2022

### Note 7 – Defined Benefit Pension Plan (Continued)

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

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

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return % <sup>2</sup>
Global Equities	52%	6.8%	4.2%
Fixed Income	25	4.3	1.8
Inflation Sensitive Assets	19	2.7	0.2
Real Estate	7	5.6	3.0
Private Equity/Debt	12	9.7	7.0
Total Core Fund <sup>3</sup>	115% *	6.6%	4.0%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70%	6.3%	3.7%
International Equities	30	7.2	4.6
Total Variable Fund	100%	6.8%	4.2%

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

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

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

**Single Discount Rate.** A single discount rate of 6.8% was used to measure the total pension liability, as opposed to a discount rate of 7.0% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 1.84% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2021. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**SCHOOL DISTRICT OF GRANTON**

Notes to Financial Statements

June 30, 2022

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**Note 7 – Defined Benefit Pension Plan (Continued)**

**Sensitivity of the District’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate.** The following presents the District’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80 percent, 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 (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	<u>1% Decrease to Discount Rate (5.8%)</u>	<u>Current Discount Rate (6.8%)</u>	<u>1% Increase To Discount Rate (7.8%)</u>
<b>District’s Proportionate Share of the Net Pension Liability (Asset)</b>	\$ 632,240	\$ (891,017)	\$ (1,987,480)

**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>.

**Payables to the Pension Plan.** The District is required to remit the monthly required contribution for both the employee and District portions by the last day of the following month. There were no amount due to WRS as of June 30, 2022.

**Note 8 – Limitation on School District Revenues**

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

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

**Note 9 –Contingencies**

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

From time to time the District is involved in legal actions and claims, most of which normally occur in governmental operations. In the opinion of District management, these issues, and any other proceedings known to exist at June 30, 2022, are not likely to have a material adverse impact on the District’s financial position.

**Note 10 – Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employee health claims; unemployment compensation claims; and natural disasters. The District insures through commercial insurance companies for all risks of loss. Settled claims from these risks have not exceeded insurance coverage in the past three fiscal years.

**SCHOOL DISTRICT OF GRANTON**  
Notes to Required Supplementary Information  
June 30, 2022

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**Note 11 – Restatement of Capital Assets**

During the current year, it was identified that capital assets in the prior year were not properly stated due to the improper tracking of capital assets. As a result of a restatement of prior year capital assets, the District-Wide statement of net position has been restated as of June 30, 2021. The following is a summary of change in net position at June 30, 2022.

	<b>District-Wide</b>
Net Position - June 30, 2021	\$ 4,607,960
Restatement of Capital Assets	<u>(2,021,639)</u>
Net Position - As Restated June 30, 2021	<u><u>\$ 2,586,321</u></u>

DRAFT 12.10.22

**REQUIRED SUPPLEMENTARY INFORMATION**

DRAFT 12.10.22

**SCHOOL DISTRICT OF GRANTON**

Schedule of Employer's Proportionate Share of the Net Pension Liability (Asset)  
Wisconsin Retirement System (WRS)  
Last 10 Fiscal Years\*

WRS Fiscal Year End Date (Measurement Date)	District's Proportion of the Net Pension Asset/Liability	District's Proportionate Share of the Net Pension (Asset)/Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Asset/Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2021	0.01105456%	\$ (891,017)	\$ 1,833,936	48.58%	106.02%
12/31/2020	0.01151030%	(718,604)	1,854,312	38.75%	105.26%
12/31/2019	0.01166607%	(376,167)	1,836,746	20.48%	102.96%
12/31/2018	0.01161990%	413,829	1,843,560	22.45%	96.45%
12/31/2017	0.01128741%	(355,136)	1,713,069	20.73%	102.93%
12/31/2016	0.01097936%	90,496	1,640,173	5.52%	99.12%
12/31/2015	0.01069155%	173,736	1,546,522	11.23%	98.20%
12/31/2014	0.00103919%	(255,253)	1,487,976	17.15%	102.74%

Schedule of Employer Contributions  
Wisconsin Retirement System (WRS)

District Year End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/2022	\$ 124,845	\$ 124,845	\$ -	\$ 1,889,256	6.61%
6/30/2021	119,639	119,639	-	1,772,418	6.75%
6/30/2020	120,307	120,307	-	1,836,746	6.55%
6/30/2019	123,518	123,518	-	1,843,560	6.70%
6/30/2018	116,487	116,487	-	1,713,069	6.80%
6/30/2017	108,251	108,251	-	1,640,173	6.60%
6/30/2016	105,981	105,981	-	1,546,522	6.85%
6/30/2015	104,158	104,158	-	1,487,976	7.00%

\*Ten years of information will be accumulated and presented beginning with the Districts fiscal year ended June 30, 2015.

**SCHOOL DISTRICT OF GRANTON**  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
General Fund  
For the Year Ended June 30, 2022

	<u>Original And Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Property Taxes	\$ 765,210	\$ 765,210	\$ -
Other Local Sources	15,170	38,664	23,494
Interdistrict Sources	456,135	450,016	(6,119)
Intermediate Sources	56,437	32,738	(23,699)
State Sources	4,617,165	2,311,131	(2,306,034)
Federal Sources	338,372	1,689,871	1,351,499
Other Sources	47,090	4,908	(42,182)
<b>Total Revenues</b>	<u>6,295,579</u>	<u>5,292,538</u>	<u>(1,003,041)</u>
<b>EXPENDITURES</b>			
<b>Instruction</b>			
Regular Instruction	1,440,187	1,291,147	149,040
Vocational Instruction	254,546	238,658	15,888
Physical Instruction	77,151	69,572	7,579
Other Instruction	30,300	67,153	(36,853)
<b>Total Instruction</b>	<u>1,802,184</u>	<u>1,666,530</u>	<u>135,654</u>
<b>Support Services</b>			
Pupil Services	74,182	73,484	698
Instructional Staff Services	344,013	639,291	(295,278)
General Administration Services	206,997	453,285	(246,288)
School Building Administration Services	172,838	72,717	100,121
Business Administration	80,369	83,891	(3,522)
Operations and Maintenance	2,032,838	1,156,263	876,575
Pupil Transportation	317,423	123,394	194,029
Internal Services	1,650	825	825
Central Services	81,445	87,067	(5,622)
Insurance	44,013	36,640	7,373
Other Support Services	154,893	77,369	77,524
<b>Total Support Services</b>	<u>3,510,661</u>	<u>2,804,226</u>	<u>706,435</u>
<b>Non-Program Transactions</b>			
General Tuition Payments	62,000	25,744	36,256
Non-Program Payments	676,962	639,559	37,403
Voucher Payments	25,000	-	25,000
<b>Total Non-Program Transactions</b>	<u>763,962</u>	<u>665,303</u>	<u>98,659</u>
<b>Total Expenditures</b>	<u>6,076,807</u>	<u>5,136,059</u>	<u>940,748</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>218,772</u>	<u>156,479</u>	<u>(62,293)</u>
<b>OTHER FINANCING USE</b>			
Transfer to Other Funds	(218,772)	(156,479)	62,293
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>1,464,284</u>	<u>1,464,284</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,464,284</u>	<u>\$ 1,464,284</u>	<u>\$ -</u>

**SCHOOL DISTRICT OF GRANTON**  
Notes to Required Supplementary Information  
June 30, 2022

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**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 using the budgetary accounting basis prescribed by the Wisconsin Department of Public Instruction. The legally adopted budget and budgetary expenditure control is exercised at the two-digit sub function level in the general fund and at the function level for all other funds. Reported budget amounts are as originally adopted or as amended by School Board resolution.

The District follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedule:

- a. Based upon requests from district staff, district administration recommends budget proposals To the Board of Education.
- b. The Board of Education reviews a proposed budget including proposed expenditures and the means of financing them for the July 1 through June 30 fiscal year.
- c. Pursuant to a public budget hearing, the Board of Education may make alterations to the proposed budget.
- d. 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 school board.
- e. 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 assigned fund balance.

**Basis of Accounting**

The budget is prepared on the same modified accrual basis of accounting as applied to the governmental funds in the financial statements.

There is a perspective difference between the budget and reporting under generally accepted accounting principles (GAAP). For budgetary purposes the special education fund was budgeted separate from the general fund, but for GAAP the two are combined. There is a reconciliation to the statement of revenues, expenditures and changes in fund balances provided as part of the notes to the required supplementary information.

**Excess of Actual Expenditures Over Budget in Individual Funds**

The general fund had an excess of actual expenditures over budget for the year ended June 30, 2022:

Individual Function	Excess Expenditures
Other Instruction	\$ 36,853
Instructional Staff Services	295,278
General Administration Services	246,288
Business Administration	3,522
Central Services	5,622

**SCHOOL DISTRICT OF GRANTON**  
Notes to Required Supplementary Information - Continued  
June 30, 2022

**Budget-to-Actual Reconciliation**

An explanation of the differences between budgetary inflows and outflows and revenues and expenditures determined in accordance with generally accepted accounting principles follows:

	<b>General Fund</b>
Sources/Inflows of Resources:	
Actual Amounts (Budgetary Basis) "Total Revenues" from the Schedule of Revenues, Expenditures and Changes in Fund Balance	\$ 5,292,538
Differences – Budget to GAAP:	
The Special Education Fund was Budgeted Separately but does not Meet the Definition of a Special Revenue Fund and was Combined with the General Fund	277,570
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Change in Fund Balances – Governmental Funds	\$ 5,570,108
Uses/Outflows of Resources:	
Actual Amounts (Budgetary Basis) "Total Expenditures and Other Financing Use" from the Schedule of Revenues, Expenditures and Changes in Fund Balance	\$ 5,292,538
Differences – Budget to GAAP:	
The Special Education Fund was Budgeted Separately but does not Meet the Definition of a Special Revenue Fund and was Combined with the General Fund	416,677
The Transfer to the Special Education Fund is Eliminated because it is Considered to be Part of the General Fund.	(139,107)
Total Expenditures and Other Financing Use as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	\$ 5,570,108

**Defined Benefit Pension Plan**

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

*Changes of assumptions.*

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

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

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

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

**SUPPLEMENTARY INFORMATION**

DRAFT 12.10.22

**SCHOOL DISTRICT OF GRANTON**

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 As of June 30, 2022

	Special Revenue			Debt Service	Capital Projects	Total Nonmajor Governmental Funds
	Special Revenue Trust	Food Service	Community Service	Referendum Debt Service	Long-term Capital Improvement	
<b>ASSETS</b>						
Cash and Investments	\$ 134,591	\$ 115,249	\$ 146,757	\$ 125,681	\$ 100,866	\$ 623,144
Receivables:						
Accounts	-	-	5,725	-	-	5,725
Due from Other Fund	41,259	-	-	-	-	41,259
Due from Federal Government	-	9,594	-	-	-	9,594
<b>Total Assets</b>	<u>\$ 175,850</u>	<u>\$ 124,843</u>	<u>\$ 152,482</u>	<u>\$ 125,681</u>	<u>\$ 100,866</u>	<u>\$ 679,722</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ 758	\$ 6,738	\$ 1,479	\$ -	\$ -	\$ 8,975
Accrued Liabilities	-	11,927	2,620	-	-	14,547
Unearned Revenue	-	339	-	-	-	339
<b>Total Liabilities</b>	<u>758</u>	<u>19,004</u>	<u>4,099</u>	<u>-</u>	<u>-</u>	<u>23,861</u>
<b>FUND BALANCES</b>						
Restricted	<u>175,092</u>	<u>105,839</u>	<u>148,383</u>	<u>125,681</u>	<u>100,866</u>	<u>655,861</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 175,850</u>	<u>\$ 124,843</u>	<u>\$ 152,482</u>	<u>\$ 125,681</u>	<u>\$ 100,866</u>	<u>\$ 679,722</u>

**SCHOOL DISTRICT OF GRANTON**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended June 30, 2022

	Special Revenue			Debt Service	Capital Projects	Total Nonmajor Governmental Funds
	Special Revenue Trust	Food Service	Community Services	Referendum Debt Service	Long-term Capital Improvement	
<b>REVENUES</b>						
Property Taxes	\$ -	\$ -	\$ 30,000	\$ 310,395	\$ -	\$ 340,395
Other Local Sources	34,308	19,328	148,360	60	129	202,185
State Sources	-	1,845	71,055	-	-	72,900
Federal Sources	-	280,023	-	-	-	280,023
Other Sources	-	-	7,934	-	-	7,934
<b>Total Revenues</b>	<b>34,308</b>	<b>301,196</b>	<b>257,349</b>	<b>310,455</b>	<b>129</b>	<b>903,437</b>
<b>EXPENDITURES</b>						
<b>Instruction:</b>						
Other Instruction	24,886	-	-	-	-	24,886
<b>Support Services:</b>						
Operations and Maintenance	-	-	10,780	-	-	10,780
Food Services	-	268,126	1,034	-	-	269,160
Community Services	-	-	254,043	-	-	254,043
Debt Service						
Principal	-	-	-	208,000	-	208,000
Interest and Fiscal Charges	-	-	-	9,090	-	9,090
<b>Total Support Services</b>	<b>-</b>	<b>268,126</b>	<b>265,857</b>	<b>217,090</b>	<b>-</b>	<b>751,073</b>
<b>Total Expenditures</b>	<b>24,886</b>	<b>268,126</b>	<b>265,857</b>	<b>217,090</b>	<b>-</b>	<b>775,959</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>9,422</b>	<b>33,070</b>	<b>(8,508)</b>	<b>93,365</b>	<b>129</b>	<b>127,478</b>
<b>OTHER FINANCING SOURCE</b>						
Transfer from General Fund	-	-	-	-	17,372	17,372
<b>NET CHANGES IN FUND BALANCES</b>	<b>9,422</b>	<b>33,070</b>	<b>(8,508)</b>	<b>93,365</b>	<b>17,501</b>	<b>144,850</b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>165,670</b>	<b>72,769</b>	<b>156,891</b>	<b>32,316</b>	<b>83,365</b>	<b>511,011</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 175,092</b>	<b>\$ 105,839</b>	<b>\$ 148,383</b>	<b>\$ 125,681</b>	<b>\$ 100,866</b>	<b>\$ 655,861</b>

**ADDITIONAL REPORTS**

DRAFT 12.10.22

**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**

To the Board of Education  
School District of Granton  
Granton, 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 School District of Granton (District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated \_\_\_\_\_, 2022.

**Report on Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002, 2022-003 and 2022-004 that we consider to be material weaknesses.

To the Board of Education  
School District of Granton

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

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

### **District's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of This Report**

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

*KerberRose SC*

**KerberRose S.C.**  
**Certified Public Accountants**  
Appleton, Wisconsin  
\_\_\_\_\_, 2022

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

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

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

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

We have audited the District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement*, *State Single Audit Guidelines* and the *Wisconsin Department of Public Instruction Audit Manual*, 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, 2022. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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, 2022.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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), *State Single Audit Guidelines* and *Wisconsin Public School District Audit Manual*. Our responsibilities under those standards, the Uniform Guidance, *State Single Audit Guidelines* and *Wisconsin Public School District Audit Manual* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

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

To the Board of Education  
School District of Granton

### ***Auditors' Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, Uniform Guidance, *State Single Audit Guidelines* and the *Wisconsin Department of Public Instruction Audit Manual*, we:

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

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

### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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.

To the Board of Education  
School District of Granton

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

*KerberRose SC*

**KerberRose S.C.**  
**Certified Public Accountants**  
Appleton, Wisconsin  
\_\_\_\_\_, 2022

DRAFT 12.10.22

**FEDERAL AND STATE AWARDS SECTION**

DRAFT 12.10.22

**SCHOOL DISTRICT OF GRANTON**  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2022

Grantor Agency/Federal Program Title	ALN	Pass-Through Agency	Pass-Through Number	(Accrued) Deferred Revenue 7/1/2021	Value or Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/2022	Total Expenditures	Subrecipient Payments
<b>U.S. DEPARTMENT OF AGRICULTURE</b>								
<i>CHILD NUTRITION CLUSTER</i>								
School Breakfast Program	10.553	WI DPI	2022-52604-DPI-SB-546	\$ -	\$ 61,683	\$ -	\$ 61,683	\$ -
National School Lunch Program	10.555	WI DPI	2021-102226-DPI-NSL-547	-	155,340	-	155,340	-
Donated Commodities 2021-21	10.555	WI DPI	2022-102226-DPI-NSL-547	-	17,401	-	17,401	-
<i>Total National School Lunch Program</i>				-	172,741	-	172,741	-
Summer Food Service Program	10.559	WI DPI	2021-102226-DPI-SFSP-566	(24,941)	24,941	-	-	-
Summer Food Service Program - COVID-19	10.559	WI DPI	2022-102226-DPI-SFSP-566	-	36,005	9,594	45,599	-
<i>Total Summer Food Service Program</i>				(24,941)	60,946	9,594	45,599	-
<b>Total U.S. Department of Agriculture and Child Nutrition Cluster</b>				(24,941)	295,370	9,594	280,023	-
<b>U.S. DEPARTMENT OF EDUCATION</b>								
Title I Grants to Local Educational Agencies	84.010	WI DPI	2021-102226-DPI-TIA-141	(111,966)	111,966	-	-	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2022-102226-DPI-TIA-141	-	-	279,108	279,108	-
<i>Total Title I Grants to Local Educational Agencies</i>				(111,966)	111,966	279,108	279,108	-
<i>SPECIAL EDUCATION CLUSTER</i>								
Special Education Grants to States	84.027	WI DPI	2021-102226-DPI-FLOW-341	(151,026)	151,026	-	-	-
Special Education Grants to States	84.027	WI DPI	2022-102226-DPI-FLOW-341	-	20,570	79,205	99,775	-
Special Education Grants to States	84.027	WI DPI	2022-102226-DPI-FLOW-344	-	26,373	-	26,373	-
Special Education Preschool Grants	84.173	WI DPI	2022-102226-DPI-PRESCH-347	-	-	5,740	5,740	-
<i>Total Special Education Cluster</i>				(151,026)	197,969	84,945	131,888	-
Career and Technical Education - Basic Grants to States	84.048	CESA 10	2021-102226-CTE-400	(5,820)	5,820	-	-	-
Career and Technical Education - Basic Grants to States	84.048	CESA 10	2022-102226-CTE-400	-	-	6,540	6,540	-
Title V-B Rural and Low-Income Schools	84.358	WI DPI	2021-102226-DPI-TV-B-368	(5,535)	5,535	-	-	-
Title V-B Rural and Low-Income Schools	85.358	WI DPI	2022-102226-DPI-TV-B-368	-	5,650	301	5,951	-
Improving Teacher Quality State Grants	84.367	WI DPI	2021-102226-DPI-TIIA-365	(31,611)	31,611	-	-	-
Improving Teacher Quality State Grants	84.367	WI DPI	2022-102226-DPI-TIIA-365	-	13,560	3,619	17,179	-
Student Support and Academic Enrichment Program	84.424	WI DPI	2021-102226-DPI-TIVA-381	(18,971)	18,971	-	-	-
Student Support and Academic Enrichment Program	84.424	WI DPI	2022-102226-DPI-TIVA-381	-	15,023	4,802	19,825	-
Governors Emergency Education Relief Fund	84.425C	WI DPI	2022-102226-DPI-GEERS-162	-	32,754	-	32,754	-
Elementary and Secondary School Emergency Relief II	84.425D	WI DPI	2021-102226-DPI-ESSERF-163	(249,056)	249,056	-	-	-
Elementary and Secondary School Emergency Relief III	84.425U	WI DPI	2022-102226-DPI-ESSERFIII-165	-	269,228	1,019,955	1,289,183	-
<b>Total U.S. Department of Education</b>				(573,985)	957,143	1,399,270	1,782,428	-
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>								
<i>Medicaid Cluster</i>								
Medical Assistance Program	93.778	WI DHS	Not Available	(62,676)	62,676	-	-	-
Medical Assistance Program	93.778	WI DHS	Not Available	-	33,978	-	33,978	-
<b>Total U.S. Department of Health and Human Services and Medicaid Cluster</b>				(62,676)	96,654	-	33,978	-
<b>TOTAL FEDERAL ASSISTANCE</b>				<b>\$ (661,602)</b>	<b>\$ 1,349,167</b>	<b>\$ 1,408,864</b>	<b>\$ 2,096,429</b>	<b>\$ -</b>

Reconciliation to the basic financial statements:

Governmental Funds	
Federal Sources	\$ 2,101,782
Intermediate Sources	40,518
Less: Nonreportable Grants	(45,871)
Total expenditures of federal awards	<u>\$ 2,096,429</u>

**SCHOOL DISTRICT OF GRANTON**

Schedule of State Financial Assistance

For the Year Ended June 30, 2022

<b>Awarding Agency/ Awarding Description/ Pass-Through Agency</b>	<b>State I.D. Number</b>	<b>Pass-Through Agency</b>	<b>State Identifying Number</b>	<b>(Accrued) Deferred Revenue 7/1/2021</b>	<b>Cash Received (Refunded)</b>	<b>Accrued (Deferred) Revenue 6/30/2022</b>	<b>Total Expenditures</b>	<b>Subrecipient Payments</b>
<b>WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION</b>								
Special Education and School Age Parents	255.101	Direct Program	102226-100	\$ -	\$ 38,278	\$ -	\$ 38,278	\$ -
Special Education and School Age Parents	255.101	CESA 10	102226-100	-	33,232	-	33,232	-
Common School Fund Library Aid	255.103	Direct Program	102226-104	-	20,094	-	20,094	-
General Transportation Aid	255.107	Direct Program	102226-102	-	7,080	-	7,080	-
WI School Day Milk Program	255.115	Direct Program	102226-109	-	1,845	-	1,845	-
Equalization Aids	255.201	Direct Program	102226-116	(26,965)	1,910,510	-	1,883,545	-
High Cost Special Education Aid	255.210	Direct Program	102226-119	-	5,651	-	5,651	-
Sparsity Aid	255.212	Direct Program	102226-162	-	92,117	-	92,117	-
Achievement Gap Reduction	255.504	Direct Program	102226-160	-	100,778	-	100,778	-
Aid for High Poverty School Districts	255.926	Direct Program	102226-121	-	12,903	-	12,903	-
Per Pupil Aid	255.945	Direct Program	102226-113	-	181,048	-	181,048	-
High Cost Transportation Aid	255.947	Direct Program	102226-114	-	4,386	-	4,386	-
Career and Technical Education Incentive Grants	255.950	Direct Program	102226-171	-	-	3,376	3,376	-
Assessments of Reading Readiness	255.956	Direct Program	102226-166	-	493	-	493	-
<b>Total Wisconsin Department of Public Instruction</b>				<u>\$ (26,965)</u>	<u>\$ 2,408,415</u>	<u>\$ 3,376</u>	<u>\$ 2,384,826</u>	<u>\$ -</u>

Reconciliation to the basic financial statements:

Governmental Funds	
State sources	\$ 2,461,192
Less: State sources not considered state financial assistance	
Nonreportable grants	(71,055)
State tax exempt aid	(4,975)
Payment in lieu of taxes and other revenues	(336)
Total expenditures of state awards	<u>\$ 2,384,826</u>

The accompanying notes are an integral part of this schedule.

## SCHOOL DISTRICT OF GRANTON

Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance  
June 30, 2022

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### **Note 1 – Basis of Presentation**

The accompanying schedules of expenditures of federal awards and state financial assistance include the federal and state grant activity of the School District of Granton under programs of the federal and state governments for the year ended June 30, 2022. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the *State Single Audit Guidelines*. Because the schedules present only a select portion of operations of the District, they are not intended to, and do not, present the financial position and change in net position of the District.

### **Note 2 – Summary of Significant Accounting Policies**

Expenditures reported in the schedules are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Clintonville Public School District has not elected to use the 10 percent de minimis indirect cost rate as allowable under the Uniform Guidance.

### **Note 3 – Special Education and School Age Parents Program**

2021 - 2022 eligible costs under the State Special Education Program are \$108,411.

### **Note 4 – Oversight Agencies**

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

**SCHOOL DISTRICT OF GRANTON**  
 Schedule of Findings and Questioned Costs  
 June 30, 2022

**Section I – Summary of Auditors’ Results**

**Financial Statements**

Type of auditors’ report issued	Unmodified
Internal control over financial reporting	
Material weakness identified?	Yes
Significant deficiency identified?	None Reported
Noncompliance material to the financial statements?	No

**Federal Awards**

Internal control over major programs	
Material weakness identified?	No
Significant deficiency identified?	None Reported
Type of auditors’ report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Identification of major federal programs:

<b>ALN</b>	<b>Name of Federal Program</b>
84.425C	<i>Education Stabilization Funds</i>
84.425U	Governor’s Emergency Education Relief Fund American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER)

Dollar threshold used to distinguish between Type A and Type B Programs	\$750,000
Auditee qualified as a low-risk auditee?	No

**State Awards**

Internal control over major programs	
Material weakness identified?	No
Significant deficiency identified?	None Reported
Type of auditors’ report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with State Single Audit Guidelines or the Wisconsin Department of Public Instruction Audit Manual?	No

Identification of the major state programs:

<b>State I.D. Number</b>	<b>Name of State Program</b>
255.101	Special Education and School Age Parents <i>General Aids Cluster</i>
255.201	General Equalization Aid
255.926	Aid for High Poverty School Districts

**SCHOOL DISTRICT OF GRANTON**  
Schedule of Findings and Questioned Costs - Continued  
June 30, 2022

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**Section II - Financial Statement Findings**

**Finding No.**

**2022-001**                      **Lack of Segregation of Duties**

**Prior Year  
Audit Finding:**              2021-001

**Condition:**                      During our audit, we noted that the District has limited staff which does not allow for the proper segregation of duties.

**Criteria:**                        Board of Education and management are responsible for establishing and maintaining internal controls over financial reporting to prevent misstatements in their financial reporting.

**Effect:**                         Because of the lack of segregation of duties, unauthorized transactions could occur in the District's operations.

**Cause:**                         Due to limited staff, management is unable to properly segregate duties.

**Recommendation:**        We recommend the duties should be separated as much as possible such as review and approval of bank reconciliations and journal entries. In addition, compensating controls should be used to compensate for the lack of segregation of duties. This includes the Board having an active role in the District's operations.

**Management's  
Response:**                      Due to small staff, duties are segregated as much as possible. The Board does review and approve transactions. Management agrees that the Board should have access to review or question any transaction which flows through the District office, and reports detailing cash receipts and disbursements are provided to the Board monthly to assist in that capacity. By employing individuals who are capable of maintaining the integrity of the books and safeguarding District assets, the Board can be confident that the financial affairs of the District are being handled properly.

**Responsible  
Officials:**                        James Kuchta, District Administrator

**Anticipated  
Completion Date:**              The District will implement the changes as it is able. This finding will not completely resolve itself given the overall size of the entity and limited staff.

**SCHOOL DISTRICT OF GRANTON**  
Schedule of Findings and Questioned Costs - Continued  
June 30, 2022

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**Finding No.**

**2022-002**                      **Financial Reporting**

**Prior Year  
Audit Finding:**              **2021-002**

**Condition:**                      During our audit, we noted that the internal control system does not include a process for preparing the annual audited financial statements and the related disclosures in accordance with GAAP.

**Criteria:**                        Management is responsible for establishing and maintaining internal controls and for the fair presentation of the financial position, change in net position, and disclosures in the financial statements, in conformity with U.S. Generally Accepted Accounting Principles (GAAP).

**Cause:**                            Management does not have the training and expertise to prepare the financial statements in conformity with U.S. Generally Accepted Accounting Principles (GAAP).

**Effect:**                            Although the auditors are preparing the financial statements and related footnotes, management of the District thoroughly reviews them and accepts responsibility for their completeness and accuracy.

**Recommendation:**          We recommend that management continues to make this decision on a cost/benefit basis.

**Management's  
Response:**                        Due to limited staffing the District will continue to contract with an outside audit firm to complete the statements. Management reviews the financial statements and compares to the District's financial records for completeness and accuracy and accepts responsibility for those financial statements.

**Responsible  
Official:**                         James Kuchta, District Administrator

**Anticipated  
Completion Date:**              This finding will not completely resolve itself given the cost/benefit basis the District continues to make.

**SCHOOL DISTRICT OF GRANTON**  
Schedule of Findings and Questioned Costs - Continued  
For the Year Ended June 30, 2022

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**Finding No.**

**2022-003**                      **Preparation of Schedules of Federal and State Awards**

**Prior Year  
Audit Finding:**              2021-003

**Condition:**                      The District was unable to provide us with schedules of federal and state awards with the appropriate allocation of funds by ALN and funding source.

**Cause:**                              The District felt that they did not have the internal expertise to prepare the schedules.

**Criteria:**                            The District should prepare the schedules of expenditures of federal and state awards.

**Effect:**                              Although the auditors are assisting with the preparation of the schedules of federal and state awards, management of the District thoroughly reviews the schedules and accepts responsibility for the schedules' completeness and accuracy.

**Recommendation:**              The District should assign an individual internally that is qualified to prepare these schedules.

**Management's  
Response:**                      The District was unable to prepare due to time constraints. The District is aware of the requirements and will attempt to compile the information necessary in the future.

**Responsible  
Officials:**                            James Kuchta, District Administrator

**Anticipated  
Completion Date:**              This finding may not completely resolve itself given the cost/benefit basis of the decision the District continues to make.

DRAFT 12/10/22

**SCHOOL DISTRICT OF GRANTON**  
Schedule of Findings and Questioned Costs - Continued  
For the Year Ended June 30, 2022

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**Finding No.**

**2022-004**

**Material Audit Adjustments**

**Prior Year**

**Audit Finding:**

2021-004

**Condition:**

During the audit, we identified and proposed adjustments (which were approved and posted by management) that were material, either individually or in the aggregate, to the District's financial statements.

**Cause:**

While District staff maintains financial records which accurately report revenues and expenditures throughout the year, preparing year end adjusting and closing entries required additional expertise that would entail additional training and staff time to develop. The District also had new software implemented this year that contributed to the material adjustments.

**Criteria:**

Management is responsible for the maintaining internal controls and its accounting records in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

**Effect:**

Year-end financial records prepared by the District prior to the audit procedures may contain material misstatements. We recommend the District designate an individual to obtain additional training in order to prepare the adjusting and closing entries. We are available to assist the individuals in obtaining the understanding to prepare these entries.

**Recommendation:**

We recommend that management and the District Board continue to monitor the transactions and the financial records of the District. We recommend the District perform a risk assessment of its operations and current procedures to identify and implement mitigating controls to reduce the risk of errors and intentional fraud.

**Management's  
Response:**

The District is aware of the reasons for the material account adjustments and will take necessary action to implement procedures for preparation of year-end adjustments.

**Responsible  
Officials:**

James Kuchta, District Administrator

**Anticipated  
Completion Date:**

This finding will resolve as the finance team gains a better understanding of the District financial records.

**SCHOOL DISTRICT OF GRANTON**  
Schedule of Findings and Questioned Costs - Continued  
For the Year Ended June 30, 2022

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**Section III - Federal Award Findings**

There were no findings for federal awards.

**Section IV - State Award Findings**

There were no state award findings.

**Section V - Other Issues**

- |  |     |
|--|-----|
| 1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern?   | No  |
| 2. Was a management letter or other document conveying audit documents issued as a result of this audit? | Yes |

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**SCHOOL DISTRICT OF GRANTON**  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2022

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**Financial Statement Findings**

**2021-001 - Segregation of Duties** - See corrective action plan finding 2022-001.

**2021-002 - Financial Accounting and Reporting** - See corrective action plan finding 2022-002.

**2021-003 - Preparation of Schedules of Federal and State Awards** - See corrective action plan finding 2022-003.

**2021-004 – Material Audit Adjustment** - See corrective action plan finding 2022-004.

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## Corrective Action Plan

### **Financial Statement Findings**

**2022-001 - Segregation of Duties** - The District is aware of the lack of segregation of duties caused by the limited size of its staff. Segregation of duties are enhanced whenever possible and the Board of Education assumes an active roll through monthly review of receipt and disbursement transactions and monthly financial statements.

**Responsible Official** - James Kuchta, District Administrator

**Anticipated Completion Date** - This finding will not completely resolve itself given the size and limited financial resources of the District.

**2022-002 - Financial Reporting** - The District is aware that its staff does not have training to prepare financial statements and related notes in accordance with GAAP. The District will rely on the assistance of the auditors for preparation of the financial statements and related notes. The District has assigned an individual with the knowledge and skills to review the financial statements which included comparing the audited financial statements to the internally generated financial reports.

**Responsible Official** - James Kuchta, District Administrator

**Anticipated Completion Date** - This finding will not completely resolve itself given the cost/benefit basis the District continues to make.

**2022-003 - Preparation of Schedules of Federal and State Awards** - The District is aware of the requirements and will attempt to compile the information necessary to assure its compliance with this in the future.

**Responsible Official** - James Kuchta, District Administrator

**Anticipated Completion Date** - This finding may not completely resolve itself given the cost/benefit basis of the decision the District continues to make.

**2022-004 – Material Audit Adjustments** - The District is aware there were material adjustments and intends to gain additional understanding and training to reduce the material adjustments.

**Responsible Official** - James Kuchta, District Administrator

**Anticipated Completion Date** - This finding intends to reduce material adjustments within the next year.

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## WIHA 2022 Expenses

### **\$635 total for District**

WIHA membership fee per student

$$3 \times \$45 = 135$$

District Fee \$100/student

$$3 \times \$100 = 300$$

Horse stall at District competition \$50 per horse

$$3 \text{ horses} \times \$50 = 150$$

Tack stall at District competition at \$50 per stall

$$1 \times \$50 = \$50$$

### **\$400 for State competition**

Horse stall at State competition \$100 per horse

$$3 \text{ horses} \times \$100 = \$300$$

Tack stall at state competition at \$100 per stall

$$1 \times \$100 = 100$$

Total District and State = \$1,035

### **Costs not included:**

Shavings per tack stall ~\$70 for District and State x 3 ponies = 210

Stall mats at State \$60 per horse x 3= \$180

Camping in Marshfield - \$45 per camper

Hotel in Madison - \$190 per family

\$365 per student excluding fuel driving to Marshfield/Madison and food

Costs for 2023 are expected to increase because it's unlikely we will be in Marshfield and the next facility will have a higher cost. Additionally, WIHA is expecting to raise fees.

### Granton Projected Special Education Enrollments and Slots Available for 2022/2023

Level	Service/Program	Projected Enrollment	* Slots Available
EC/4K	Speech / Language Only	Projection = 1	3
K-12	Speech / Language Only	Projection = 14	2
Early Childhood (EC-4K)	1 Classroom	Projection = 2	2
K-6	1 Special Education Cross Cat	Projection = 10	0
7-12	1 Special Education Cross Cat	Projection = 13	1

<sup>1</sup>\* Slots are based on a Caseload Formula, current special education service contracts, and student factors based on level of service (Minimal, Moderate, and Comprehensive).

For non-resident students wishing to open enroll, services are limited to Granton's existing special education programs.

The Granton School District may also use the following additional criteria when making a determination of whether or not there is additional space available, based upon the special education needs identified or related services required in a non-resident student's IEP:

- Class size limits or pupil-teacher ratios
- Staffing capacity limit, including:
  - The amount of services pupils may need (e.g., minutes/hours, days per week)
  - Class/group size based on intensity of pupil needs (e.g., 1:1, small group, crisis intervention)
  - The type of staff to address various disability-related needs (e.g., special education teacher, pupil services staff, related services, paraprofessional, etc.)
- Projected pupil enrollment and changes to services in pupils' IEPs
- Other considerations concerning availability of space in the special education or related services

Revision of K – 6 Projected Enrollment is based on an additional student (KS) to the current caseload in the next month, and the level of service required by 2 other students (AV and SH), which is comprehensive. AV and SH are currently participating in partial days at school. When these students become full-time (likely to occur later in the current school year), it will be difficult if not impossible to meet their needs given Granton's level of staffing. More specifically, the elementary special education teacher does not have adequate time in his current schedule to provide specially designed instruction for these 2 students. At this time, the elementary teacher is providing instructional materials and consultation with a teacher aide who is providing the actual instruction. This is legal, but far from ideal and does not fit with the spirit of IDEA. The significant needs of these 2 students are unlikely to change going into the 2023-24 school year. In addition, 2 other students on the K-6 current caseload will likely have more support and specially designed instruction included in their programs when the IEP teams meet in the next month. Based on this information I recommend that Granton indicate 0 special education slots available unless an additional elementary special education teacher is hired.

Revision of the 7 – 12 Projected Enrollment is based on the current number of students in special education (14) and the likely enrollment for the beginning of the 2023-24 school year (13). Although the enrollment is not high compared to DPI's caseload formula and the student needs are not intense, Granton's overall small size puts lots of responsibility on both general education and special education teachers to provide instruction for multiple grade levels. The teachers must prepare for numerous classes and only have 1 prep daily. The special education teacher does not always have a prep time. Additionally, the time needed for general education and special education teachers to collaborate in meeting needs for special education students is very limited. Special education student needs may not be met adequately if the caseload increases. Therefore, I recommend the number of slots available be reduced to 1.