

AGENDA

SCHOOL DISTRICT OF NEW GLARUS

BUDGET COMMITTEE MEETING

MONDAY, JANUARY 10, 2022

**HIGH SCHOOL LIBRARY/MEDIA CENTER, ROOM 183 JOIN ZOOM MEETING USING
LINK**

HTTPS://US02WEB.ZOOM.US/J/82871576792?PWD=RG03RGVUTETXSGRUTZZJ

WNDSOXCRRZZ09 OR BY PHONE USING 1-646-568-7788 MEETING ID 828 7157

6792 & PASSWORD 199479

1701 2ND STREET

NEW GLARUS, WISCONSIN 53574

6:30 PM

- I. **Call to Order - Travis Zimmerman, Chair**
- II. **2020-21 Audit**

2



JOHNSON BLOCK
CPAs

NEW GLARUS SCHOOL DISTRICT

Financial Statements With
Independent Auditor's Report

For the Year Ended June 30, 2021

**NEW GLARUS SCHOOL DISTRICT
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For the Year Ended June 30, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
New Glarus School District
New Glarus, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the New Glarus School District (“District”), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The financial information listed in the table of contents as other supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements.

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

Other Reporting Required by *Government Auditing Standards*

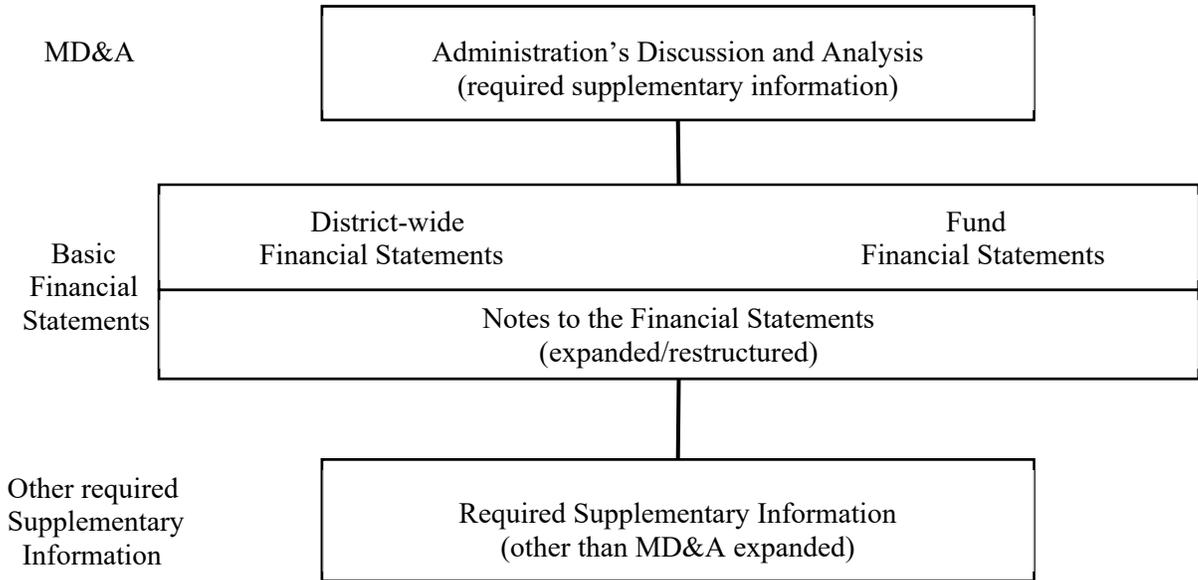
In accordance with *Government Auditing Standards*, we will also issue a report on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose 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.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
November 22, 2021

**NEW GLARUS SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

New Glarus School District’s (the District) Administration discussion and analysis is intended to assist the reader in focusing on significant financial issues, provide an overview of the District's financial activity, and identify changes in the District's financial position and its ability to address the next and subsequent year challenges. It also identifies any material deviations from the financial plan and identifies individual fund issues or concerns. This is a requirement of the Governmental Accounting Standards Board Statement No. 34 (GASB 34) "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments and is intended to provide the financial results for the fiscal year ending June 30, 2021.



As indicated in the illustration, GASB 34 requires the presentation of two basic types of financial statements: District Wide Financial Statements and Fund Financial Statements.

District Wide Financial Statements

The District wide statements provide a perspective of the District as a whole. These statements use the full accrual basis of accounting similar to private sector companies. There are two District wide statements: the Statement of Net Position and the Statement of Activities.

The Statement of Net Position combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations, regardless if they are currently available or not.

Consistent with the full accrual basis method of accounting the Statement of Activities accounts for current year revenues and expenses regardless of when cash is received or paid. The intent of this statement is to summarize and simplify the user's analysis of the costs of various District services.

**NEW GLARUS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

Fund Financial Statements

The fund statements are similar to financial presentations with the focus on the District's Major Funds rather than fund types. Consistent with previous years, the fund statements are reported using the modified accrual method of accounting. Under this basis of accounting, revenues are recorded when received except where they are measurable and available and therefore represent resources that may be appropriated. Expenditures are accounted for in the period that goods and services are used in school programs. In addition, capital asset purchases are expensed and not recorded as an asset. Debt payments are recorded as expenditures in the current year and future debt obligations are not recorded.

Fund types include the General Fund, Special Revenue Funds, Capital Projects Fund, Debt Service Fund, and Fiduciary Funds. The General Fund is used primarily to account for the general education requirements of the District. Its revenues are derived from property taxes, state and federal distributions and grants and other intergovernmental revenues. The Special Revenue Funds are comprised of the Special Revenue, Food Service and the Community Service funds. The Capital Projects Fund is used to account for any construction projects in progress in the District. The Debt Service Fund is used to record the funding and payment of principal and interest on bonded debt. The Fiduciary Fund accounts for assets held by the District in a trustee capacity or as an agent for the employee benefits trust.

**NEW GLARUS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

Financial Analysis of the District as a Whole

**Table 1
Summary of Net Position**

	2021	2020
Assets		
Current Assets	\$ 5,963,615	\$ 5,418,129
Capital Assets	\$ 37,304,573	\$ 36,482,794
Less Accumulated Depreciation	(14,348,389)	(13,252,945)
Capital Assets, net book value	\$ 22,956,184	\$ 23,229,849
Restricted Assets	\$ 31,566,930	\$ 1,273,181
Total Assets	\$ 60,486,729	\$ 29,921,159
Deferred Outflows of Resources		
Deferred Pension and OPEB Outflows	\$ 4,268,569	\$ 3,041,389
Liabilities		
Current Liabilities	\$ 31,248,714	\$ 2,048,471
Long-term Liabilities	6,477,060	8,650,216
Total Liabilities	\$ 37,725,774	\$ 10,698,687
Deferred Inflows of Resources		
Deferred Pension and OPEB Inflows	\$ 5,475,793	\$ 3,868,845
Total Deferred Inflows of Resources	\$ 5,475,793	\$ 3,868,845
Net Position		
Net Investment in Capital Assets	\$ 16,619,696	\$ 14,609,182
Restricted	3,288,268	720,410
Unrestricted	1,645,767	3,065,424
Total Net Position	\$ 21,553,731	\$ 18,395,016

As indicated by the statement above, total net position is \$21,553,731. Net position can be separated into the following categories: capital assets net of related debt, restricted, and unrestricted.

Net capital assets are a combination of funds available for capital assets, plus capital assets at original cost less accumulated depreciation and related debt. The original cost of capital assets is \$37,304,573, which is an accumulation of capital assets year after year less any capital disposals. The accumulated depreciation is the accumulation of depreciation expense since acquisition. In accordance with Generally Accepted Accounting Principles (GAAP), depreciation expense is recorded on the original cost of the asset, less an estimated salvage value, expensed over the estimated useful life of the asset. Total accumulated depreciation is \$14,348,389. Most capital asset acquisitions are financed through long-term debt. Primarily, long-term debt is repaid as the debt service comes due through property taxes approved by the voters. Total related long-term debt is \$35,043,037. As of June 30, 2021, unspent long-term debt proceeds amounted to \$28,900,000.

**NEW GLARUS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

Financial Analysis of the District as a Whole (Continued)

Net position of \$83,934 is restricted for debt service, \$233,912 is restricted for the special revenue fund, \$308,361 is restricted for capital projects, \$182,050 is restricted for food service, \$9,187 is restricted for the common school fund carryover, \$12,256 is restricted for community service, and \$2,458,569 is restricted for the District's portion of the WRS net pension asset. The remaining balance of \$1,645,767 is unrestricted. The unrestricted fund balance is an accumulation of prior years' operating results. This balance is directly affected each year by the District's operating results.

**Table 2
Results of Operations**

	2021		2020	
	Amount	% of Total	Amount	% of Total
Program Revenues:				
Charges for Service	\$ 144,274	0.9%	\$ 443,972	2.9%
Operating Grants and Contributions	2,362,046	14.4%	1,696,669	11.1%
Total Program Revenues	2,506,320	15.3%	2,140,641	14.0%
General Revenues:				
Property Taxes - general purposes	3,780,530	23.1%	4,161,578	27.3%
Property Taxes - debt purposes	2,483,414	15.2%	1,788,693	11.7%
State of Wisconsin Aid - unrestricted	7,534,616	46.1%	6,892,714	45.2%
Other	45,069	0.3%	254,946	1.7%
Total General Revenues	13,843,629	84.7%	13,097,931	86.0%
Total Revenues	16,349,949	100.0%	15,238,572	100.0%
Expenses:				
Instruction	6,828,087	51.9%	7,353,840	52.4%
Support Services	4,431,763	33.7%	4,873,623	34.7%
Community Services	750	0.0%	748	0.0%
Non-Program Services	600,452	4.6%	515,395	3.7%
Interest on Debt	320,153	2.4%	309,853	2.2%
Depreciation-unallocated	978,835	7.4%	981,791	7.0%
Total Expenses	13,160,040	100.0%	14,035,250	100.0%
Increase (Decrease) in Net Position				
Before Special Items	3,189,909		1,203,322	
Special Items -				
Gain (Loss) on Disposal	(31,194)		45,228	
Change in Net Position	\$ 3,158,715		\$ 1,248,550	

As indicated above net position increased \$3,158,715.

**NEW GLARUS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

Financial Aspects of the District's Funds

The general fund had a net increase in fund balance of \$343,239. The increase was mainly due from savings of anticipated expenditures and from unanticipated state revenues.

The capital projects fund had a net increase in fund balance of \$29,003,360. This increase was due to a transfer of funds from the general fund and referendum debt proceeds.

The debt service fund had a net decrease in fund balance of \$20,633. The fund balance decrease was due to additional funds for the prepayment of debt.

The special revenue fund had a net decrease in fund balance of \$9,880. The decrease is a timing issue of revenue and expenses between fiscal years. It is anticipated that revenues in 2021/22 will cover expenses that occurred prior to year-end.

The food service fund had a net increase in fund balance of \$41,399. The increase was due to increased meal participation from families because of free meals which led to higher federal reimbursements.

The community service fund's fund balance did not change.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2021 and 2020, the District had \$37,304,573 and \$36,482,794 invested in a broad range of capital assets, including land, buildings, furniture and equipment, respectively.

	2021	2020
Capital Assets		
Land	\$ 1,561,935	\$ 1,561,935
Construction in Progress	67,172	-
Buildings	27,916,704	27,489,645
Furniture and Equipment	7,758,762	7,431,214
Subtotal	37,304,573	36,482,794
Less Accumulated Depreciation	(14,348,389)	(13,252,945)
	\$ 22,956,184	\$ 23,229,849

There was a net decrease in capital assets of \$273,665 from last year. Depreciation expense for the year was \$1,103,552.

Debt

At the end of this year, the District had \$34,770,000 in general obligation bonds and notes outstanding. This is a net increase of \$26,730,000. The net increase is a result of the combination of scheduled principal payments of debt, a cash defeasance, and the issuance of bond anticipation notes of \$28,900,000.

**NEW GLARUS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

Factors Bearing on the District's Future

Currently known circumstances that will impact the District's financial status in the future are:

- Student Enrollment
- Health Insurance Costs
- Funding from the State of Wisconsin
- Energy Costs
- COVID-19

Original vs. Revised Budget

Per State Statute 120.13(33) during the period between July 1 and the final adoption of a budget by the school board after the budget hearing under s.65.90, spend money as needed to meet the immediate expenses of operating and maintaining the public instruction in the school district.

The District may amend its budget during the school year.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Tammy Marty, Business Manager, School District of New Glarus, 1701 Second St., New Glarus, Wisconsin 53574.

BASIC FINANCIAL STATEMENTS

**New Glarus School District
New Glarus, Wisconsin
Statement of Net Position
June 30, 2021**

	<u>Governmental Activities</u>
ASSETS	
Current Assets:	
Cash and Investments	\$ 3,855,583
Receivables:	
Taxes	1,782,430
Accounts	7,854
Due from Other Governments	309,196
Inventories	8,552
Total Current Assets	<u>5,963,615</u>
Capital Assets:	
Land and Construction in Progress	1,629,107
Depreciable Assets	35,675,466
Less: Accumulated Depreciation	(14,348,389)
Net Capital Assets	<u>22,956,184</u>
Restricted Assets:	
Restricted Cash and Investments	29,108,361
Net Pension Asset - WRS	2,458,569
Total Restricted Assets	<u>31,566,930</u>
Total Assets	<u>60,486,729</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Pension Outflows - WRS	3,898,416
Deferred Pension Outflows - Supplemental Pension	147,840
Deferred Other Post-Employment Benefit Outflows - Life Insurance	222,313
Total Deferred Outflows of Resources	<u>4,268,569</u>
Total Assets and Deferred Outflows of Resources	<u><u>\$ 64,755,298</u></u>

See accompanying notes to the financial statements.

New Glarus School District
New Glarus, Wisconsin
Statement of Net Position
June 30, 2021

	Governmental Activities
LIABILITIES	
Current Liabilities:	
Accounts Payable	\$ 357,352
Accrued Liabilities:	
Payroll and Related Items	1,204,443
Interest	59,785
Due to Fiduciary Funds	50,000
Deposits - Food Service Receipts	38,707
Current Portion of Long-Term Obligations	29,538,427
Total Current Liabilities	31,248,714
Noncurrent Liabilities:	
Noncurrent Portion of Long-Term Obligations	6,002,510
Net Pension Liability - Supplemental Pension	45,631
Net Other Post-Employment Benefit Liability - Life Insurance	428,919
Total Noncurrent Liabilities	6,477,060
Total Liabilities	37,725,774
DEFERRED INFLOWS OF RESOURCES	
Deferred Pension Inflows - WRS	5,386,124
Deferred Pension Inflows - Supplemental Pension	39,772
Deferred Other Post-Employment Benefit Inflows - Life Insurance	49,897
Total Deferred Inflows of Resources	5,475,793
NET POSITION	
Net Investment in Capital Assets	16,619,696
Restricted for:	
Capital Projects Fund	308,361
Debt Service Fund	83,934
Special Revenue Fund - Nonexpendable	10,000
Special Revenue Fund - Expendable	223,912
Common School Fund Carryover	9,187
Food Service Fund	182,049
Community Service Fund	12,256
Net Pension Asset	2,458,569
Unrestricted	1,645,767
Total Net Position	21,553,731
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 64,755,298

See accompanying notes to the financial statements.
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**New Glarus School District New
Glarus, Wisconsin**

**Statement of Activities
For the Year Ended June 30, 2021**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>		<u>Net (Expense) Revenue</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Total Governmental Activities</u>
Governmental Activities				
Instruction				
Undifferentiated Curriculum	\$ 2,216,717	\$ 11,580	\$ -	\$ (2,205,137)
Regular Instruction	2,751,453	34,302	706,255	(2,010,896)
Vocational Instruction	311,556	694	4,036	(306,826)
Physical Instruction	237,056	-	-	(237,056)
Special Instruction	1,077,743	-	509,962	(567,781)
Co-Curricular Activities	221,036	10,904	61,148	(148,984)
Other Special Needs	12,526	-	-	(12,526)
Total Instruction	<u>6,828,087</u>	<u>57,480</u>	<u>1,281,401</u>	<u>(5,489,206)</u>
Support Services				
Pupil Services	328,310	-	913	(327,397)
Instructional Staff Service	838,867	-	116,684	(722,183)
General Administration	346,586	-	-	(346,586)
Building Administration	626,311	-	104,310	(522,001)
Business Services	1,110,295	-	233,044	(877,251)
Central Services	168,621	-	3,000	(165,621)
Insurance and Judgments	121,791	59,595	-	(62,196)
Interest	320,153	-	-	(320,153)
Other Support Services	407,818	-	-	(407,818)
Food Service	483,164	27,199	493,326	37,361
Unallocated Depreciation	978,835	-	-	(978,835)
Total Support Services	<u>5,730,751</u>	<u>86,794</u>	<u>951,277</u>	<u>(4,692,680)</u>
Non-Program Services				
Post-Secondary Scholarships	750	-	-	750
Other Non-Program Services	600,452	-	129,368	(471,084)
Total Non-Program	<u>601,202</u>	<u>-</u>	<u>129,368</u>	<u>(471,834)</u>
Total Governmental Activities	<u>\$ 13,160,040</u>	<u>\$ 144,274</u>	<u>\$ 2,362,046</u>	<u>(10,653,720)</u>

General Revenues:

Taxes:	
Property Taxes, Levied for General Purposes	3,780,530
Property Taxes, Levied for Debt Service	2,483,414
Federal and State Aid not Restricted to Specific Purpose	7,534,616
Interest and Investment Earnings	10,280
Miscellaneous	34,789
Total General Revenues	<u>13,843,629</u>
Special Item - Gain (loss) on Disposal	<u>(31,194)</u>
Change in Net Position	3,158,715
Net Position - beginning of year	<u>18,395,016</u>
Net Position - ending	<u>\$ 21,553,731</u>

**New Glarus School District
New Glarus, Wisconsin**

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

	<u>General Fund</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Investments	\$ 3,199,588	\$ 143,719	\$ -	\$ 512,276	\$ 3,855,583
Restricted Cash and Investments	-	-	29,108,361	-	29,108,361
Receivables:					
Taxes	1,782,430	-	-	-	1,782,430
Accounts	285	-	-	713	998
Other	-	-	-	6,856	6,856
Due from Other Funds	602	-	100,000	972	101,574
Due from Other Governments	270,017	-	-	39,179	309,196
Inventories	-	-	-	8,552	8,552
Total Assets	<u>\$ 5,252,922</u>	<u>\$ 143,719</u>	<u>\$ 29,208,361</u>	<u>\$ 568,548</u>	<u>\$ 35,173,550</u>
LIABILITIES					
Accounts Payable	\$ 267,727	\$ -	\$ -	\$ 89,625	\$ 357,352
Accrued Liabilities	1,201,598	-	-	2,845	1,204,443
Due to Other Funds	150,972	-	-	602	151,574
Deposits	-	-	-	38,707	38,707
Total Liabilities	<u>1,620,297</u>	<u>-</u>	<u>-</u>	<u>131,779</u>	<u>1,752,076</u>
FUND BALANCES					
Nonspendable	-	-	-	18,552	18,552
Restricted	9,187	143,719	29,208,361	418,217	29,779,484
Unassigned	3,623,438	-	-	-	3,623,438
Total Fund Balances	<u>3,632,625</u>	<u>143,719</u>	<u>29,208,361</u>	<u>436,769</u>	<u>33,421,474</u>
Total Liabilities and Fund Balances	<u>\$ 5,252,922</u>	<u>\$ 143,719</u>	<u>\$ 29,208,361</u>	<u>\$ 568,548</u>	<u>\$ 35,173,550</u>

**New Glarus School District
New Glarus, Wisconsin**

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

Total fund balance, governmental funds	\$	33,421,474
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		
		22,956,184
The net pension asset is not a current financial resource and is, therefore, not reported in the fund statements.		
		2,458,569
Certain other long-term liabilities are not due and payable in the current period and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		
Unamortized premium on bond issuance		(193,453)
Pension and OPEB deferred outflows of resources and deferred inflows of resources are actuarially determined by the defined benefit pension and OPEB plans. These items are reflected in the Statement of Net Position and are being amortized with pension expense on the Statement of Activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and therefore are not reported in the fund statements.		
Deferred outflows of resources		4,268,569
Deferred inflows of resources		(5,475,793)
Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable) are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.		
G.O. Debt Obligations		(34,770,000)
Capital Leases		(273,037)
Accrued Interest on Long-Term Debt		(59,785)
Compensated Absences		(304,447)
Net Pension Liability - Supplemental Pension		(45,631)
Net Other Post-Employment Benefit Liability - Life Insurance		(428,919)
		(428,919)
Net Position of Governmental Activities in the Statement of Net Position	\$	21,553,731

See accompanying notes 18 the financial statements.

**New Glarus School District
New Glarus, Wisconsin**

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

	<u>General Fund</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Local	\$ 3,842,535	\$ 2,483,681	\$ 3,360	\$ 82,501	\$ 6,412,077
Interdistrict	1,062,670	-	-	-	1,062,670
State	7,871,021	-	-	10,281	7,881,302
Federal	422,169	-	-	480,277	902,446
Other	93,786	23,683	-	-	117,469
Total Revenues	<u>13,292,181</u>	<u>2,507,364</u>	<u>3,360</u>	<u>573,059</u>	<u>16,375,964</u>
EXPENDITURES					
Current Expenditures					
Instruction					
Undifferentiated Curriculum	2,363,055	-	-	373	2,363,428
Regular Instruction	2,973,881	-	-	-	2,973,881
Vocational Instruction	334,957	-	-	3,677	338,634
Physical Instruction	256,112	-	-	-	256,112
Special Instruction	1,166,767	-	-	-	1,166,767
Co-Curricular Activities	156,715	-	-	59,057	215,772
Other Special Needs	1,548	-	-	-	1,548
Total Instruction	<u>7,253,035</u>	<u>-</u>	<u>-</u>	<u>63,107</u>	<u>7,316,142</u>
Support Services					
Pupil Services	340,429	-	-	1,200	341,629
Instructional Staff Services	870,698	-	-	-	870,698
General Administration	366,278	-	-	-	366,278
Building Administration	718,858	-	-	-	718,858
Business Services	1,337,295	-	-	125	1,337,420
Central Services	84,825	-	-	-	84,825
Insurance and Judgments	121,791	-	-	-	121,791
Other Support Services	419,893	-	-	-	419,893
Food Service	-	-	-	476,358	476,358
Total Support Services	<u>4,260,067</u>	<u>-</u>	<u>-</u>	<u>477,683</u>	<u>4,737,750</u>
Non-Program Services	600,453	-	-	750	601,203
Total Current Expenditures	<u>12,113,555</u>	<u>-</u>	<u>-</u>	<u>541,540</u>	<u>12,655,095</u>
Principal and Interest	97,072	2,527,997	-	-	2,625,069
Capital Outlay	638,315	-	-	-	638,315
Total Expenditures	<u>12,848,942</u>	<u>2,527,997</u>	<u>-</u>	<u>541,540</u>	<u>15,918,479</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>443,239</u>	<u>(20,633)</u>	<u>3,360</u>	<u>31,519</u>	<u>457,485</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	100,000	-	100,000
Transfers Out	(100,000)	-	-	-	(100,000)
Proceeds from Long-Term Debt	-	-	28,900,000	-	28,900,000
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>-</u>	<u>29,000,000</u>	<u>-</u>	<u>28,900,000</u>
Net Change in Fund Balances	<u>343,239</u>	<u>(20,633)</u>	<u>29,003,360</u>	<u>31,519</u>	<u>29,357,485</u>
Fund Balances - Beginning	3,289,386	164,352	205,001	405,250	4,063,989
Fund Balances - Ending	<u>\$ 3,632,625</u>	<u>\$ 143,719</u>	<u>\$ 29,208,361</u>	<u>\$ 436,769</u>	<u>\$ 33,421,474</u>

**New Glarus School District
New Glarus, Wisconsin**

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

Net change in fund balances - total governmental funds: \$ 29,357,485

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

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

This is the amount by which capital outlays (\$863,409) were less than depreciation (\$1,103,552) in the current period. (240,143)

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 long-term debt principal payments in the current year is: 2,170,000
The amount of capital lease principal payments in the current year is: 85,643

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

The amount of long term debt proceeds in the current year. (28,900,000)

Amortization of debt premium 28,534

Loss on disposal of capital assets (33,522)

Vested employee benefits, OPEB, and the supplemental pension liability are reported in the governmental funds when amounts are paid. The Statement of Activities reports values of benefits earned during the year.

Change in OPEB - group life insurance plan liability and related deferred outflows and inflows of resources (61,175)

Change in supplemental pension liability and related deferred outflows and inflows of resources 56,179

Change in compensated absences (9,330)

In governmental funds, interest payments on outstanding long-term debt are reported as an expenditure when paid. In the Statement of Activities interest is reported as incurred.

Interest paid is greater (less) than interest accrued by (2,944)

Pension expense reported in the governmental funds represents current year required contributions into the defined benefit pension plan. Pension expense in the Statement of Activities is actuarially determined by the defined benefit pension plan as the difference between the net pension asset/liability from the prior year to the current year, with some adjustments.

This is the amount of current year required contributions (\$441,093) into the WRS defined benefit pension plan that were less than the actuarially determined (\$266,895) change in net pension asset/liability between years, with adjustments. 707,988

Change in net position of governmental activities \$ 3,158,715

**New Glarus School District
New Glarus, Wisconsin**

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

	<u>Benefit Trust</u> <u>Fund</u>
ASSETS	
Cash and Cash Equivalents	\$ 479,311
Due from Other Funds	50,000
Total Assets	<u>\$ 529,311</u>
NET POSITION	
Restricted	\$ 529,311
Total Net Position	<u>\$ 529,311</u>

See accompanying notes to the financial statements.

**New Glarus School District
New Glarus, Wisconsin**

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

	<u>Benefit Trust</u> <u>Fund</u>
ADDITIONS	
Contributions	\$ 159,602
Investment Earnings, Net of Investment Expense	1,824
Total Additions	<u>161,426</u>
DEDUCTIONS	
Support Services	2,053
Benefits Paid	17,594
Total Deductions	<u>19,647</u>
Change in Net Position	<u>141,779</u>
Net Position - Beginning	387,532
Net Position - Ending	<u>\$ 529,311</u>

See accompanying notes to the financial statements.

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

1. Summary of Significant Accounting Policies

A. Introduction

The New Glarus School District (the "District") is organized as a common school district. The District, governed by a seven-member elected school board, operates grades Pre-Kindergarten through 12 and is comprised of all or part of nine taxing districts.

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

B. Component Units

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

C. District-Wide Statements

The statement of net position and the statement of activities present financial information about the District's governmental 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 non-exchange transactions. The District does not report any business-type activities.

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

D. Fund Financial Statements

The fund statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented.

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

1. Summary of Significant Accounting Policies (Continued)

D. Fund Financial Statements (Continued)

The emphasis of fund financial statements is on major governmental funds; each displayed in a separate column. All remaining funds are aggregated and reported as non-major funds. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures.

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

- a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures of the individual governmental fund are at least 5 percent of the corresponding 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.

The District reports the following major governmental funds:

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

Debt Service Fund – The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects – The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The District accounts for fiduciary activities for supplemental pension benefits in an employee benefit trust fund.

The District also has the following non-major funds

- Community Service Fund
- Food Service
- Special Revenue

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

1. Summary of Significant Accounting Policies (Continued)

E. Measurement Focus and Basis of Accounting

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. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures when paid. 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.

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

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

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

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

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

1. Summary of Significant Accounting Policies (Continued)

F. Property Tax Levy

The aggregate District tax levy is apportioned and certified in November of the current fiscal year for collection to the comprising municipalities based on the immediate past October 1st full or “equalized” taxable property values. As permitted by a collecting municipality’s ordinance, taxes may be paid in full or two or more installments with the first installment payable the subsequent January 31st, and the final payment no later than the following July 31st. On or before January 15th, and by the 20th of each subsequent month thereafter, the District is paid by the collecting municipalities its proportionate share of tax collections received through the last day of the preceding month. On or before August 20th, 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. All property taxes are considered due on January 1st, 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 30th and are available to pay current liabilities.

G. Deposits and Investments

The District’s cash and equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. Cash and investment balances for individual funds are pooled unless regulations require 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, obligations of the United States, and the local government pooled-investment fund.

Donations to the District for scholarships are invested as the donor specifies. In the absence of specific directions, the District may invest donated items in accordance with laws applicable to trust investments.

The District has adopted an investment policy which permits all investments allowed under state statutes.

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

1. Summary of Significant Accounting Policies (Continued)

H. Accounts Receivable

All accounts receivable are shown at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since such allowance would not be material.

I. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased. Prepaid items represent payments made by the District for which benefits extend beyond June 30.

Nonspendable net assets (inventories and prepaid items) have been recognized to signify that a portion of net assets is not available for other subsequent expenditures.

J. Capital Assets

Capital assets are valued at historical cost or estimated historical cost. Maintenance and repair costs are charged to expenses as incurred and betterments are capitalized as assets. Upon disposal of land, buildings and equipment, a gain or loss is reflected in the statement of activities. Donated assets are reported at acquisition value at the time received. Property and equipment and related depreciation expense are not reflected in the governmental fund financial statements.

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

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Building	\$ 5,000	Straight-line	50 years
Building improvements	5,000	Straight-line	50 years
Site improvements	5,000	Straight-line	20 years
Furniture and equipment	5,000	Straight-line	5-20 years
Computer and related technology	5,000	Straight-line	5 years

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

1. Summary of Significant Accounting Policies (Continued)

K. Long-Term Obligations

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

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

Principal and interest on long-term debt is recognized when due.

L. Accumulated Unpaid Vacation and Sick Pay

Compensated Absences

Sick leave for Teachers hired before July 1, 2013 will accumulate up to a maximum of 200 sick leave days. Upon retirement, if the member has completed 10 years of full-time service with the District and who is eligible for retirement under the Wisconsin Retirement System will be credited with up to 200 accumulated sick leave days at the rate of pay of \$90 per day not to exceed \$18,000.

Sick leave for all eligible staff hired on or after July 1, 2013 will accumulate to a maximum of 90 days but is not eligible for a payout.

Accumulated vacation and personal days for all eligible staff are allowed to be carried-over up to five days each year.

Supplemental Pension

See Note 7b for additional information.

M. Pensions

The District participates in the Wisconsin Retirement System. See Note 7a for additional information.

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

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

1. Summary of Significant Accounting Policies (Continued)

N. Other Post Employment Benefits

Group life insurance plan

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

See Note 8 for additional information.

O. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenditure) until then. The District has three items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometime report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until then. The District has three items that qualify for reporting in this category.

P. Estimates

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

Q. Net Position

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

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

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

1. Summary of Significant Accounting Policies (Continued)

R. Fund Balances – Governmental Funds

The District previously implemented GASB No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. In the fund statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not in spendable form (i.e., convertible to cash) or are legally or contractually required to be maintained intact. \$8,552 of the amount reported as nonspendable at June 30, 2021 is nonspendable in form. The remaining balance of \$10,000 is legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to policies enacted by the Board of Education, the District's highest level of decision making authority. Commitments may only be rescinded through the same type of action employed to previously commit the amounts.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. The Board of Education has delegated authority to assign fund balance for a specific purpose to the Business Manager.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose.

The District considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the District would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The Board of Education recognizes the need to maintain an operating reserve in the general fund to 1) to hold adequate working capital to meet cash flow needs during the fiscal year, 2) to reduce the need for short term borrowing, 3) to serve as a safeguard for unanticipated district expenditures and 4) to show fiscal responsibility to maintain a high credit rating which will help reduce future borrowing costs.

Any excess of revenues and other financing sources over expenditures and other financing uses at the end of the fiscal year will be added to the District fund balance. The District will strive to maintain a general fund balance of not less than 15% of the subsequent year's operational expenditures. If the District, as of June month-end of a given fiscal year, shows an operating fund balance below 15% of the subsequent year's budget, the Board of Education will take proactive actions to increase the fund balance to 15%.

The District's long-term goal for fund balance is to achieve and maintain a general fund balance that will alleviate the need for short-term borrowing to meet operational cash flow needs. Fund balance in excess of this goal may be used for one-time expenditures or unforeseen costs (i.e., damages). The general fund balance shall not be used for recurring costs in the operating budget.

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

1. Summary of Significant Accounting Policies (Continued)

R. Fund Balances – Governmental Funds (Continued)

The Board may, from time to time, commit fund balance to a specific purpose. Such actions shall be taken in open meeting and require the approval of a majority of the Board. Commitments of fund balance, once made, can be modified only by a majority vote of the Board.

The Board authorizes and directs the Business Manager to assign the fund balance to the extent such assignment does not create a negative unassigned fund balance as follows:

- An amount sufficient to liquidate open encumbrances that are reasonably expected to result in an expenditure in the subsequent year.
- An amount estimated to be sufficient to cover the cost of unsettled labor agreements, if any.

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

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

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

Differences between the governmental funds statement of revenues, expenditures and changes in fund balances and the statement of activities fall into one of three broad categories:

- a. Long-term revenue differences arise because governmental funds report revenues only when they are considered “available,” whereas the statement of activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used on the statement of activities.
- b. Capital related differences include (1) the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and (2) the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the statement of activities.
- c. Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest expense is recorded in the statement of activities as incurred, and principal payments are recorded as a reduction of liabilities in the statement of net position.

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

3. Cash and Investments

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

Deposits

The District's deposits and investments at June 30, 2021 were comprised of the following:

<u>Depository:</u>	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Associated Risk</u>
Local Financial Institutions	\$ 27,969,170	\$ 28,265,954	Custodial credit risk, interest rate risk and credit risk
WISC	4,994,149	4,994,149	Custodial credit risk, interest rate risk and credit risk
Petty Cash	625	625	
Other Cash and Investments:			
Equity Investments	247,687	247,687	Interest rate risk and credit risk
Fixed Income Investments	221,592	221,592	Interest rate risk and credit risk
Cash Equivalent Investments	10,032	10,032	Custodial credit risk
Total June 30, 2021	<u>\$ 33,443,255</u>	<u>\$ 33,740,039</u>	

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

Reconciliation to financial statements	
Per statement of net position	
Cash and Investments	\$ 3,855,583
Restricted Cash and Investments	29,108,361
Per statement of fiduciary net position	
Cash and Cash Equivalents	479,311
Total	<u>\$ 33,443,255</u>

Investments Authorized by Wisconsin State Statutes

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

- Time deposits in any credit union, bank, savings bank, trust company or savings and loan association.
- Bonds or securities of any county, city, drainage district, technical college, village, town, or school district of the state.
- Bonds or securities issued or guaranteed by the federal government.
- The local government investment pool.
- Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

3. Cash and Investments (Continued)

Investments Authorized by Wisconsin State Statutes (Continued)

- Securities of an open-end management company or investment trust, subject to various conditions and investment options.
- Repurchase agreements with public depositories, with certain conditions.
- Bonds issued by a local exposition district.
- Bonds issued by a local professional baseball park district.
- Bonds issued by the University of Wisconsin Hospital and Clinics Authority.
- Bonds issued by a local football stadium district.
- Bonds issued by a local arts dealer.
- Bonds issued by the Wisconsin Aerospace Authority.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

The District does not have an investment policy that addresses interest rate risk.

As of June 30, 2021, the District had the following investments and maturities:

Investment Type	Credit Quality	Fair Value	Investment Maturities (In Years)			
			Less than 1	1-5	6-10	More than 10
Equity - Exchange Traded Funds	Not Rated	\$ 247,687	\$ 247,687	\$ -	\$ -	\$ -
Fixed Income - Exchange Traded Funds	Varies - Not rated to AAA	221,592	-	70,768	150,824	-
Certificates of Deposit	Not Rated	3,143,980	1,000,000	2,143,980	-	-
		<u>\$ 3,613,259</u>	<u>\$1,247,687</u>	<u>\$ 2,214,748</u>	<u>\$ 150,824</u>	<u>\$ -</u>

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The District's investment policy minimized credit risk by limiting investments to the safest type of securities. Quality ratings available are noted in the table above.

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

3. Cash and Investments (Continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District would not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the District would not be able to recover the value of its investment of collateral securities that are in possession of another party. The District does not have an investment policy for custodial credit risk.

Deposits in each local and area bank are insured by the Federal Depository Insurance Corporation (FDIC) up to \$250,000 for all time and savings accounts and \$250,000 for all demand accounts. Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual organizations. Deposits maintained at investment institutions are insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000. The District had uninsured balances as of June 30, 2021, see below.

As of June 30, 2021, the District's deposits with financial institutions were exposed to custodial credit risk as follows:

Insured by FDIC & State Coverage	\$	1,883,648
Insured by irrevocable letters of credit*	\$	27,376,407
Uninsured and uncollateralized	\$	-

*The District's irrevocable lines of credit amount to \$31,000,000 in total.

4. Fair Value Measurement

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

The District uses the following hierarchical disclosure framework:

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

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

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

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

4. Fair Value Measurement (Continued)

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

	Assets at Fair Value as of June 30, 2021	
	Fair Value	Level 1
Equity - Exchange Traded Funds	\$ 247,687	\$ 247,687
Fixed Income - Exchange Traded Funds	221,592	221,592
Totals	\$ 469,279	\$ 469,279

5. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets not being depreciated				
Sites (land)	\$ 1,561,935	\$ -	\$ -	\$ 1,561,935
Construction in progress	-	67,172	-	67,172
Total Capital Assets not being depreciated	1,561,935	67,172	-	1,629,107
Capital Assets being depreciated				
Buildings and improvements	27,489,645	428,559	(1,500)	27,916,704
Furniture and equipment	7,431,214	367,678	(40,130)	7,758,762
Total Capital Assets being depreciated	34,920,859	796,237	(41,630)	35,675,466
Less Accumulated Depreciation	(13,252,945)	(1,103,552)	8,108	(14,348,389)
Total Capital Assets being depreciated, net of accumulated depreciation	21,667,914	(307,315)	(33,522)	21,327,077
Governmental activities Capital Assets, net of accumulated depreciation	\$ 23,229,849	\$ (240,143)	\$ (33,522)	\$ 22,956,184

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

5. Capital Assets (Continued)

Depreciation expense was charged to governmental functions as follows:

Regular instruction	\$	14,343
Vocational instruction		3,001
Special education instruction		38
Other instruction		14,650
Pupil services		293
Instructional staff services		1,575
Building administration		93
Business services		120
Central services		83,796
Food service		6,808
Depreciation not charged to a specific function		978,835
Total depreciation for governmental activities	\$	<u><u>1,103,552</u></u>

6. Long-term Obligations

Long-term obligation balances and activity for the year ended June 30, 2021 were as follows:

<u>General Obligation Debt</u>	Beginning Balance	Additions	Reductions	Defeasance	Ending Balance	Amount Due Within One Year
Governmental Activities						
G.O. Bonds	\$ 7,065,000	\$ -	\$ 65,000	\$ (1,625,000)	\$ 5,375,000	\$ 55,000
G.O. Notes	360,000	-	360,000	-	-	-
Bond Anticipation Notes	-	28,900,000	-	-	28,900,000	28,900,000
Notes from Direct Borrowings	615,000	-	120,000	-	495,000	495,000
Total Governmental Activities	<u>8,040,000</u>	<u>28,900,000</u>	<u>545,000</u>	<u>(1,625,000)</u>	<u>34,770,000</u>	<u>29,450,000</u>
General Obligation Debt	8,040,000	28,900,000	545,000	(1,625,000)	34,770,000	29,450,000
Premium on Debt	221,987	-	28,534	-	193,453	-
Capital Leases	358,680	-	85,643	-	273,037	88,427
Compensated Absences	295,117	9,330	-	-	304,447	-
Total Long-Term Obligations	<u><u>\$ 8,915,784</u></u>	<u><u>\$ 28,909,330</u></u>	<u><u>\$ 659,177</u></u>	<u><u>\$ (1,625,000)</u></u>	<u><u>\$ 35,540,937</u></u>	<u><u>\$ 29,538,427</u></u>

Total interest paid and accrued during the year was as follows:

	Expense	Paid
Interest on Long-Term Debt	<u><u>\$ 346,566</u></u>	<u><u>\$ 343,622</u></u>

The compensated absences liability is paid out of the general fund.

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

6. Long-term Obligations (Continued)

General Obligation Debt

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

Description	Issue Dates	Interest Rate %	Dates of Maturity	Balance 6/30/2021
GO School Improvement Bonds	3/5/2012	2.0-2.65%	4/1/2029	\$ 3,860,000
GO QSCB Promissory Notes	4/2/2012	4.07%	4/1/2022	495,000
GO Refunding Bonds	5/18/2016	2.0-3.0%	4/1/2031	1,515,000
Bond Anticipation Notes	6/8/2021	0.79%	12/8/2021	28,900,000
Total General Obligation Debt				<u>\$ 34,770,000</u>

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

Year Ended June 30,	G.O. Bonds and Notes			Notes from Direct Borrowings		
	Principal	Interest	Interest Subsidy	Principal	Interest	Interest Subsidy
2022	\$ 28,955,000	\$ 270,418	\$ (23,604)	\$ 495,000	\$ 25,030	\$ -
2023	560,000	130,788	-	-	-	-
2024	570,000	119,588	-	-	-	-
2025	585,000	107,638	-	-	-	-
2026	595,000	94,100	-	-	-	-
2027-2031	3,010,000	245,573	-	-	-	-
Totals	<u>\$ 34,275,000</u>	<u>\$ 968,105</u>	<u>\$ (23,604)</u>	<u>\$ 495,000</u>	<u>\$ 25,030</u>	<u>\$ -</u>

The 2020 equalized valuation of the District as certified by the Wisconsin Department of Revenue is \$556,018,748. The legal debt limit and margin of indebtedness as of June 30, 2021, in accordance with §67.03(1)(b) of the Wisconsin statutes follows:

Debt Limit (10% of \$556,018,748)	\$ 55,601,875
Deduct long-term debt applicable to debt margin	<u>34,770,000</u>
Margin of indebtedness	<u>\$ 20,831,875</u>

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

6. Long-term Obligations (Continued)

Cash Defeasances

The District issued general obligation bonds in 2012. In 2013, 2014, and 2016, the District deposited cash into an irrevocable trust to purchase securities for the purpose of generating resources for future debt service payments of the general obligation bonds. As a result, a portion of the general obligation bonds are considered to be defeased and the liability has been removed from the governmental activities on the statement of net position. No economic gain resulted from the cash defeasance. The total of the defeased debt outstanding at June 30, 2021 is \$645,000. The entire amount of defeased debt will be called on the April 1, 2022 early redemption date.

Additionally, the District issued general obligation refunding bonds in 2016. In 2017, 2018, 2020, and 2021 the District deposited cash into an irrevocable trust to purchase securities for the purpose of generating resources for future debt service payments of the general obligation bonds. As a result, a portion of the general obligation bonds are considered to be defeased and the liability has been removed from the governmental activities on the statement of net position. No economic gain resulted from the cash defeasance. The total of the defeased debt outstanding at June 30, 2021 is \$3,925,000. The entire amount of defeased debt will be called on the April 1, 2024 early redemption date.

Capital Leases

The District acquired certain capital assets through leases/purchase agreements. The gross amount of these assets under the capital leases is \$455,752. The future minimum lease payments as of June 30, 2021 are as follows:

Year Ended June 30,	
2022	\$ 97,072
2023	97,072
2024	<u>97,072</u>
Total minimum lease payments	291,216
Less: Amount representing interest	<u>18,179</u>
Present value of net minimum lease payments	<u><u>\$ 273,037</u></u>

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

7. Employee Pension Plans

7a) Defined Benefit Pension Plan – Wisconsin Retirement System

General Information about the Pension Plan

Plan Description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 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 issued a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

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

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

Final average earnings 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.

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

7. Employee Pension Plans (Continued)

7a) Defined Benefit Pension Plan – Wisconsin Retirement System (Continued)

By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the “floor”) set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

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

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

During the reporting period, the WRS recognized \$441,093 in contributions from the employer.

Contribution rates as of June 30, 2021 are:

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

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

7. Employee Pension Plans (Continued)

7a) Defined Benefit Pension Plan – Wisconsin Retirement System (Continued)

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

At June 30, 2021, the District reported a liability (asset) of (\$2,458,569) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability (asset) was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2020, the District's proportion was 0.03938035%, which was an increase of 0.00005029% from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the District recognized pension income of \$266,115.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,558,305	\$ (766,452)
Net differences between projected and actual earnings on pension plan investments	-	(4,615,764)
Changes in assumptions	55,765	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,726	(3,908)
Employer contributions subsequent to the measurement date	280,620	-
Total	\$ 3,898,416	\$ (5,386,124)

\$280,620 reported as a deferred outflow of resources related to pension resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense (revenue) as follows:

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

7. Employee Pension Plans (Continued)

7a) Defined Benefit Pension Plan – Wisconsin Retirement System (Continued)

Year Ended June 30:	Net Deferred Outflows (Inflows) of Resources
2022	\$ (454,452)
2023	(123,122)
2024	(836,148)
2025	(354,606)
2026	-
Total	\$ (1,768,328)

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

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

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

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

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

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

7. Employee Pension Plans (Continued)

7a) Defined Benefit Pension Plan – Wisconsin Retirement System (Continued)

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

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

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.4%
Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations

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

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

7. Employee Pension Plans (Continued)

7a) Defined Benefit Pension Plan – Wisconsin Retirement System (Continued)

Sensitivity of the District’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the District’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
District's proportionate share of the net pension liability (asset)	\$ 2,340,217	\$ (2,458,569)	\$ (5,983,243)

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>.

7b) Supplemental Pension Stipend Benefit

General Information about the Pension Plan

Plan Description. In addition to the WRS pension plan, the District provides a supplemental pension stipend benefit to eligible teachers. This is a single-employer supplemental pension benefit administered by the District.

Benefits Provided. This benefit applies to Teachers who were hired by the District prior to July 1, 2013. A Teacher, who has completed ten (10) years of full time equivalency service with the District and who is eligible for retirement under the Wisconsin Retirement System will be credited with: (a.) up to two hundred (200) accumulated sick days at the rate of pay of \$90 per day not to exceed \$18,000; and (b.) \$500 per year for every year of full time equivalency employment with the District, not to exceed \$15,000. The total dollars credited for accumulated sick days and accumulated years of employment with the District shall not exceed \$30,000. Teachers, who retire by filing an irrevocable resignation with the District by March 1st, shall be eligible for an additional \$2,000 above and beyond the \$30,000 limit, not to exceed \$32,000. The additional \$2,000 shall be prorated as listed below:

- 10-14 years of service - \$1,000
- 15-19 years of service - \$1,500
- 20 years of service and above - \$2,000

An eligible Teacher who tenders his or her irrevocable resignation to the District, retires at the end of the contract year, shall receive the dollar amount contemplated in the preceding paragraphs as contributions to a tax-sheltered annuity (TSA).

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

7. Employee Pension Plans (Continued)

7b) Supplemental Pension Stipend Benefit (Continued)

TSA contributions will be made in a series of three (3) equal installments beginning in July after the Eligible Employee's retirement and on the two (2) subsequent annual anniversaries of that date. Retirees receiving TSA contributions cannot be employed by the District.

Employees Covered by Benefit Terms. At June 30, 2020 (the measurement date), the following employees were covered by the benefit terms:

Retirees eligible and receiving benefits	2
Active teachers fully eligible	13
Active teachers not fully eligible	31
Total	46

This plan is closed to new entrants as it only applies to teachers hired before July 1, 2013.

Contributions. The District has continued to fund these stipend liabilities through its irrevocable trust that was previously reported as an "other postemployment benefit" trust. The District has indicated that the contribution amount to the trust is tied to the actuarial determined contribution (ADC) provided in prior actuarial studies. There are no contractual or statutory required contributions to the trust.

During the reporting period, the District contributed \$22,616 to the trust.

Net Pension Liability

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

Actuarial Assumptions. The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value
Amortization Method	10 Year Level %
Discount Rate	2.25%
Amortization Growth Rate	3.00%
Inflation	2.00%

The valuation was based upon the data provided by the District. All of the demographic assumptions used for this report are approximately the same as those based on an experience study conducted in 2018 using the WRS experience from 2015-2017.

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

7. Employee Pension Plans (Continued)

7b) Supplemental Pension Stipend Benefit (Continued)

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 Class	Long-Term Real Rate of Return	Target Allocation
US Equities	2.10%	49%
Fixed Income	2.73%	48%
Cash	0.0%	3%

Discount Rate. The discount rate used to measure the total pension liability was 2.25%, as opposed to a discount rate of 3.50% for the prior year. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plans fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2019	\$ 282,695	\$ 219,183	\$ 63,512
Changes for the year:			
Service cost	14,894	-	14,894
Interest	10,082	-	10,082
Differences between expected and actual experience	(16,722)	-	(16,722)
Changes of assumptions or other input	7,606	-	7,606
Contributions - employer	-	22,616	(22,616)
Net investment income	-	12,106	(12,106)
Benefit payments	(4,167)	(4,167)	-
Administrative expenses	-	(981)	981
Net changes	11,693	29,574	(17,881)
Balances at June 30, 2020	\$ 294,388	\$ 248,757	\$ 45,631

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

7. Employee Pension Plans (Continued)

7b) Supplemental Pension Stipend Benefit (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the District, calculated using the discount rate of 2.25 percent as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate:

	1% Decrease to Discount Rate (1.25%)	Current Discount Rate (2.25%)	1% Increase to Discount Rate (3.25%)
District's net supplemental pension liability (asset)	\$ 58,547	\$ 45,631	\$ 32,800

Pension Plan Fiduciary Net Position. The plan does not issue stand-alone financial statements.

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

For the year ended June 30, 2021, the District recognized pension expense of \$21,631. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 36,618	\$ (23,375)
Changes of assumptions	33,412	(6,577)
Net difference between projected and actual earnings on pension plan investments	-	(9,820)
District contributions subsequent to the measurement date	77,810	-
Total	\$ 147,840	\$ (39,772)

\$77,810 reported as a deferred outflow of resources related to pension resulting from the Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2022.

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

7. Employee Pension Plans (Continued)

7b) Supplemental Pension Stipend Benefit (Continued)

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

Year Ended June 30:	Net Deferred Outflows (Inflows) of Resources
2022	\$ 641
2023	2,569
2024	3,398
2025	4,376
2026	5,201
Thereafter	14,073
Total	\$ 30,258

8. Other Post-Employment Benefits

General Information about the Other Post-Employment Benefits

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

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

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

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

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

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

8. Other Post-Employment Benefits (Continued)

Contribution rates as of June 30, 2021 are:

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

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2020 are as listed on the below:

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

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

During the reporting period, the LRLIF recognized \$1,554 in contributions from the employer.

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

At June 30, 2021, the District reported a liability (asset) of \$428,919 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2020 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net OPEB liability (asset) was based on the District's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2020, the District's proportion was 0.07797500%, which was an increase of 0.006722% from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the District recognized OPEB expense of \$62,106.

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

8. Other Post-Employment Benefits (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (20,467)
Net differences between projected and actual earnings on plan investments	6,244	-
Changes in actuarial assumptions	166,855	(29,430)
Changes in proportion and differences between employer contributions and proportionate share of contributions	48,358	-
Employer contributions subsequent to the measurement date	856	-
Totals	<u>\$ 222,313</u>	<u>\$ (49,897)</u>

\$856 reported as deferred outflows related to OPEB resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (revenue) as follows:

Year Ended June 30:	Net Deferred Outflows (Inflows) of Resources
2022	\$ 32,682
2023	32,007
2024	31,311
2025	28,891
2026	31,692
Thereafter	14,977
Total	<u>\$ 171,560</u>

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

8. Other Post-Employment Benefits (Continued)

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

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

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

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

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

8. Other Post-Employment Benefits (Continued)

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

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

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

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

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

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

8. Other Post-Employment Benefits (Continued)

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

	1% Decrease to Discount Rate (1.25%)	Current Discount Rate (2.25%)	1% Increase to Discount Rate (3.25%)
District's proportionate share of the net OPEB liability (asset)	\$ 583,452	\$ 428,919	\$ 312,050

9. Interfund Balances and Activity

Interfund receivable and payable balances in the fund financial statements on June 30, 2021 were as follows:

Payable Fund	Receivable Fund	Amount	Purpose
Special Revenue	General Fund	\$ 602	Operations
General Fund	Capital Projects	100,000	Fund 46 Contribution
Subtotal - Major Funds		100,602	
General Fund	Special Revenue	972	Operations
Subtotal - Non-Major Funds		972	
General Fund	Benefit Trust	50,000	Operations
Subtotal - Fiduciary Funds		50,000	
Subtotal - Fund Financial Statements		(150,370)	
Less: Fund Eliminations		100,370	
Total - Government-Wide Statements		\$ (50,000)	

In the statement of net position, amounts reported in the governmental funds balance sheet as interfund balances have been eliminated within the district-wide statements.

Additionally, during fiscal year ended June 30, 2021, the general fund transferred \$1,106,020 to the special education fund. These transfers were used to cover any costs not covered by direct revenues. The general fund also transferred \$100,000 to the capital projects fund for long-term capital improvement purposes. In the statement of activities, amounts reported in the governmental funds statement of revenues, expenditures and changes in fund balances have been eliminated within the district-wide statements.

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

10. Operating Lease

The District, as lessee, leases several copiers under two separate leases. The first requires monthly payments of \$512 through June 2025 and the second requires monthly payments of \$832 through July 2023. Future minimum lease payments on these leases are as follows:

Year Ended June 30,	
2022	\$ 16,130
2023	16,130
2024	6,976
2025	6,143
	<u>\$ 45,379</u>

11. Fund Balances

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

	General Fund	Debt Service	Food Service	Special Revenue	Community Service	Capital Projects	Total
Fund Balances:							
<u>Nonspendable:</u>							
Inventory	\$ -	\$ -	\$ 8,552	\$ -	\$ -	\$ -	\$ 8,552
Corpus of Permanent Fund	-	-	-	10,000	-	-	10,000
<u>Restricted for:</u>							
Food Service	-	-	182,049	-	-	-	182,049
Debt Service Reserve	-	143,719	-	-	-	-	143,719
Community Service	-	-	-	-	12,256	-	12,256
Donor Restrictions	-	-	-	223,912	-	-	223,912
Capital Projects	-	-	-	-	-	29,208,361	29,208,361
Common School Fund Carryover	9,187	-	-	-	-	-	9,187
<u>Unassigned:</u>							
Cash Flow Purposes	2,000,000	-	-	-	-	-	2,000,000
Unassigned	1,623,438	-	-	-	-	-	1,623,438
Total Fund Balances	\$ 3,632,625	\$ 143,719	\$ 190,601	\$ 233,912	\$ 12,256	\$ 29,208,361	\$ 33,421,474

12. Limitation on School District Revenues

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

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

NEW GLARUS SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2021

13. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. These risks are covered through the purchase of commercial insurance, with minimal deductibles.

14. Commitments

The District has a line of credit which carries an interest rate of 1.94%, permits borrowing up to \$2,000,000, and matures on November 1, 2021. The line of credit did not have an outstanding balance as of June 30, 2021 and the District did not draw upon it during the year. The District has committed to an additional \$2,000,000 line of credit, with an interest rate of 1.94%, once the current one matures.

In April 2021, the electors of the District authorized the issuance of \$28,900,000 in general obligation bonds via a referendum for the public purpose of paying the cost of a new school building and improvements to existing District buildings and property. As of June 30, 2021, construction, engineering, and architectural contracts were in place totaling the amount of the approved general obligation debt.

15. Effect of New Accounting Standard on Current Period Financial Statements

The Governmental Accounting Standards Board (GASB) has adopted GASB Statement No. 87, Leases, effective for periods beginning after June 15, 2021, and GASB Statement No. 91, Conduit Debt Obligations, effective for periods beginning after December 15, 2021. When these become effective, application of these standards may restate portions of these financial statements.

16. Subsequent Event

In July 2021, the District issued general obligation refunding bonds in the amount of \$27,410,000 for purposes of refinancing the District's bond anticipation notes. The future minimum lease payments are as follows:

Year Ended June 30,	G.O. Bonds	
	Principal	Interest
2022	\$ 845,000	\$ 586,233
2023	1,070,000	775,750
2024	1,125,000	722,250
2025	1,180,000	666,000
2026	1,245,000	607,000
2027-2031	7,310,000	2,126,450
2032-2036	6,980,000	1,131,038
2037-2041	7,655,000	465,400
Totals	\$ 27,410,000	\$ 7,080,121

REQUIRED SUPPLEMENTAL INFORMATION

**New Glarus School District
New Glarus, Wisconsin**

**Budgetary Comparison Schedule for the General Fund
Budget and Actual
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Local	\$ 3,866,684	\$ 3,895,447	\$ 3,841,935	\$ (53,512)
Interdistrict	1,026,783	1,055,729	1,062,670	6,941
State	7,223,954	7,441,740	7,451,484	9,744
Federal	87,599	214,642	209,634	(5,008)
Other	42,530	42,530	93,786	51,256
Total Revenues	<u>12,247,550</u>	<u>12,650,088</u>	<u>12,659,509</u>	<u>9,421</u>
EXPENDITURES				
Current Expenditures				
Instruction				
Undifferentiated Curriculum	2,500,753	2,400,000	2,363,055	36,945
Regular Instruction	2,912,788	2,950,000	2,973,881	(23,881)
Vocational Instruction	349,751	349,751	334,957	14,794
Physical Instruction	261,792	261,792	256,112	5,680
Co-curricular Activities	202,340	162,340	156,715	5,625
Other Special Needs	6,500	6,500	1,548	4,952
Support Service				
Pupil Services	215,729	215,729	207,754	7,975
Instructional Staff Services	700,918	700,918	717,167	(16,249)
General Administration Services	346,550	360,000	360,494	(494)
Business Administration Services	738,322	738,322	718,858	19,464
Business Services	1,463,920	1,463,920	1,307,440	156,480
Central Services	72,006	78,000	84,825	(6,825)
Insurance and Judgments	123,000	123,000	121,791	1,209
Other Support Services	305,178	400,000	413,777	(13,777)
Non-Program Services	359,196	379,096	356,489	22,607
Debt Service	97,073	97,073	97,072	1
Capital Outlay	340,780	340,780	638,315	(297,535)
Total Expenditures	<u>10,996,596</u>	<u>11,027,221</u>	<u>11,110,250</u>	<u>(83,029)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,250,954</u>	<u>1,622,867</u>	<u>1,549,259</u>	<u>(73,608)</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(1,250,954)</u>	<u>(1,250,954)</u>	<u>(1,206,020)</u>	<u>44,934</u>
Total Other Financing Sources and Uses	<u>(1,250,954)</u>	<u>(1,250,954)</u>	<u>(1,206,020)</u>	<u>44,934</u>
Net Change in Fund Balance	-	371,913	343,239	(28,674)
Fund Balance - Beginning	<u>3,289,386</u>	<u>3,289,386</u>	<u>3,289,386</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 3,289,386</u>	<u>\$ 3,661,299</u>	<u>\$ 3,632,625</u>	<u>\$ (28,674)</u>

**New Glarus School District
New Glarus, Wisconsin**

**Budgetary Comparison Schedule for the Special Education Fund
Budget and Actual
For the Year Ended June 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Local	\$ -	\$ -	\$ 600	\$ 600
State	373,023	419,537	419,537	-
Federal	249,621	249,621	212,535	(37,086)
Total Revenues	<u>622,644</u>	<u>669,158</u>	<u>632,672</u>	<u>(36,486)</u>
EXPENDITURES				
Current Expenditures				
Instruction				
Special Instruction	1,270,892	1,270,892	1,166,767	104,125
Support Service				
Pupil Services	156,589	156,589	132,675	23,914
Instructional Staff Services	149,987	149,987	153,531	(3,544)
General Administration	-	-	5,784	(5,784)
Business Services	59,712	59,712	29,855	29,857
Central Services	1,500	1,500	-	1,500
Other Support Services	-	-	6,116	(6,116)
Non-Program Services	234,918	234,918	243,964	(9,046)
Total Expenditures	<u>1,873,598</u>	<u>1,873,598</u>	<u>1,738,692</u>	<u>134,906</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,250,954)</u>	<u>(1,204,440)</u>	<u>(1,106,020)</u>	<u>98,420</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,250,954	1,100,000	1,106,020	6,020
Total Other Financing Sources and Uses	<u>1,250,954</u>	<u>1,100,000</u>	<u>1,106,020</u>	<u>6,020</u>
Net Change in Fund Balance	-	(104,440)	-	104,440
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ (104,440)</u>	<u>\$ -</u>	<u>\$ 104,440</u>

**New Glarus School District
New Glarus, Wisconsin**

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

	<u>General Fund</u>	<u>Special Education Fund</u>
A) Sources/Inflows of Resources:		
Actual amounts "total revenues" from the budgetary comparison schedules	\$ 12,659,509	\$ 632,672
Reclassification: Special education fund revenues are reclassified to the general fund, required for GAAP reporting	<u>632,672</u>	<u>(632,672)</u>
The general fund revenues as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds	<u>\$ 13,292,181</u>	<u>\$ -</u>
	<u>General Fund</u>	<u>Special Education Fund</u>
B) Uses/Outflows of Resources:		
Actual amounts "total expenditures" from the budgetary comparison schedules	\$ 11,110,250	\$ 1,738,692
Reclassification: Special education fund expenditures are reclassified to the general fund, required for GAAP reporting	<u>1,738,692</u>	<u>(1,738,692)</u>
The general fund expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds	<u>\$ 12,848,942</u>	<u>\$ -</u>

**NEW GLARUS SCHOOL DISTRICT
WISCONSIN RETIREMENT SYSTEM SCHEDULES
June 30, 2021**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
AS OF THE MEASUREMENT DATE
Last 10 Fiscal Years***

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Collective net pension liability (asset) as a percentage of the District's covered- employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2020	(0.03938035%)	\$ (2,458,569)	\$ 6,534,689	(37.62%)	(105.26%)
2019	(0.03933006%)	(1,268,180)	6,380,274	(19.88%)	(102.96%)
2018	0.03888884%	1,383,543	6,021,379	22.98%	96.45%
2017	(0.03861936%)	(1,146,654)	5,785,117	(19.82%)	(102.93%)
2016	0.03848444%	317,204	5,568,082	5.70%	99.12%
2015	0.03861657%	627,512	5,450,905	11.51%	98.20%
2014	(0.03876686%)	(951,958)	5,397,914	(17.64%)	(102.74%)

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

**SCHEDULE OF DISTRICT'S CONTRIBUTIONS
FOR THE YEAR ENDED
Last 10 Fiscal Years****

Year ended June 30,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered- employee payroll
2021	\$ 441,616	\$ (441,616)	\$ -	\$ 6,535,553	6.76%
2020	438,500	(438,500)	-	6,567,826	6.68%
2019	411,903	(411,903)	-	6,236,748	6.60%
2018	397,814	(397,814)	-	5,905,403	6.74%
2017	385,798	(385,798)	-	5,735,418	6.73%
2016	365,714	(365,714)	-	5,474,826	6.68%
2015	372,691	(372,691)	-	5,423,143	6.87%

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

NEW GLARUS SCHOOL DISTRICT
SUPPLEMENTAL PENSION LIABILITY SCHEDULES
June 30, 2021

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

	2020*	2019*	2018*	2017*	2016*	2015*	2014*
<u>Total Pension Liability</u>							
Service Cost	\$ 14,894	\$ 13,860	\$ 13,935	\$ 14,993	\$ 11,942	\$ 11,942	\$ 11,942
Interest	10,082	10,109	9,706	8,518	10,246	11,094	12,454
Changes in Benefit Terms	-	-	-	-	-	-	-
Changes of Assumptions or Other Inputs	7,606	3,331	(2,899)	(6,608)	38,662	-	-
Differences Between Expected and Actual Experience	(16,722)	-	(11,100)	-	59,508	-	-
Benefit Payments	(4,167)	(14,499)	(20,167)	(25,834)	(22,666)	(54,224)	(44,045)
Net Change in Total Pension Liability (Assets)	<u>11,693</u>	<u>12,801</u>	<u>(10,525)</u>	<u>(8,931)</u>	<u>97,692</u>	<u>(31,188)</u>	<u>(19,649)</u>
Total Pension Liability - Beginning	282,695	269,894	280,419	289,350	191,658	222,846	242,495
Total Pension Liability - Ending (a)	<u>\$ 294,388</u>	<u>\$ 282,695</u>	<u>\$ 269,894</u>	<u>\$ 280,419</u>	<u>\$ 289,350</u>	<u>\$ 191,658</u>	<u>\$ 222,846</u>
<u>Fiduciary Net Position</u>							
Contributions - Employer	\$ 22,616	\$ 21,819	\$ 19,152	\$ 19,028	\$ 6,772	\$ 32,288	\$ 72,288
Other	-	-	-	-	-	-	25,953
Net Investment Income	12,106	12,511	10,823	15,079	2,103	502	6,895
Benefit Payments	(4,167)	(14,499)	(20,167)	(25,834)	(22,666)	(54,224)	(44,045)
Fund Transfer	-	-	-	-	(120,000)	-	-
Administrative Expense	(981)	(1,123)	(1,146)	(1,385)	(2,256)	-	-
Net Change in Fiduciary Net Position	<u>29,574</u>	<u>18,708</u>	<u>8,662</u>	<u>6,888</u>	<u>(136,047)</u>	<u>(21,434)</u>	<u>61,091</u>
Fiduciary Net Position - Beginning	219,183	200,475	191,813	184,925	320,972	342,406	281,315
Fiduciary Net Position - Ending (b)	<u>\$ 248,757</u>	<u>\$ 219,183</u>	<u>\$ 200,475</u>	<u>\$ 191,813</u>	<u>\$ 184,925</u>	<u>\$ 320,972</u>	<u>\$ 342,406</u>
<u>Net Pension Liability (Asset)</u>							
Net Pension Liability (Asset) - (a) - (b)	\$ 45,631	\$ 63,512	\$ 69,419	\$ 88,606	\$ 104,425	\$ (129,314)	\$ (119,560)
Fiduciary net position as a percentage of the total pension liability	84.50%	77.53%	74.28%	68.40%	63.91%	167.47%	153.65%
Covered Payroll	\$ 2,931,973	\$ 2,931,973	\$ 2,931,973	\$ 2,886,550	\$ 2,886,550	\$ 3,310,328	\$ 3,310,328
Net pension liability (asset) as a percent of covered payroll	1.56%	2.17%	2.37%	3.07%	3.62%	-3.91%	-3.61%

*The data provided above is presented as of the measurement date which is 12 months prior to the financial statement date.

**NEW GLARUS SCHOOL DISTRICT
SUPPLEMENTAL PENSION LIABILITY SCHEDULES
June 30, 2021**

SCHEDULE OF DISTRICT'S CONTRIBUTIONS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution (ADC)**	\$ 27,810	\$ 22,616	\$ 21,819	\$ 19,599	\$ 19,028	\$ 6,772	\$ 26,865
Contributions in Related to the ADC**	77,810	22,616	21,819	19,152	19,028	32,288	72,288
Contribution deficiency (excess)	<u>\$ (50,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 447</u>	<u>\$ -</u>	<u>\$ (25,516)</u>	<u>\$ (45,423)</u>
District's covered-employee payroll	\$ 2,908,697	\$ 2,867,952	\$ 2,956,311	\$ 2,931,973	\$ 2,886,550	\$ 2,886,550	\$ 3,310,328
Contributions as a percentage of covered-employee payroll	2.68%	0.79%	0.74%	0.65%	0.66%	1.12%	2.18%

**District's contributions and other amounts presented above are for each fiscal year based on information that occurred in that fiscal year.

**NEW GLARUS SCHOOL DISTRICT
LOCAL RETIREE LIFE INSURANCE FUND SCHEDULES
June 30, 2021**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET OTHER POST-EMPLOYMENT
BENEFIT LIABILITY AS OF THE MEASUREMENT DATE
Last 10 Fiscal Years***

Year ended December 31,	Proportion of the net OPEB liability (asset)	Proportionate share of the net OPEB liability (asset)	Covered- employee payroll	Collective net OPEB liability (asset) as a percentage of the District's covered- employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2020	0.07797500%	\$ 428,919	\$ 3,976,000	10.79%	31.36%
2019	0.07125300%	303,409	3,659,000	8.29%	37.58%
2018	0.06265100%	161,661	3,371,000	4.80%	48.69%
2017	0.05705800%	171,664	2,399,542	7.15%	44.81%

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

**NEW GLARUS SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021**

1. Budget Schedule

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

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

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

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

2. Excess of Actual Expenditures Over Budget in Individual Funds

Annual budgets are adopted on a basis consistent with U.S. generally accepted accounting principles for all governmental and special revenue funds.

The following functions had an excess of actual expenditures over budget for the year ended June 30, 2021:

Fund	Function	Amount
General	Regular Instruction	\$ 23,881
General	Instructional Staff Services	16,249
General	General Administration Services	494
General	Central Services	6,825
General	Other Support Services	13,777
General	Capital Outlay	297,535
Special Education	Instructional Staff Services	3,544
Special Education	General Administration	5,784
Special Education	Other Support Services	6,116
Special Education	Non-Program Services	9,046

**NEW GLARUS SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021**

3. Wisconsin Retirement System Schedules

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

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

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

4. Supplemental Pension Liability Schedules

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

Changes of Assumptions. A discount rate of 2.25% was used in calculating the District's pension liability (based upon all projected payments discounted at a long-term expected rate of return of 2.25%) in 2020 compared to a discount rate of 3.50% in 2019.

Key methods and assumptions used to calculate actuarially determined contribution:

Amortization Growth Rate	3.00%
Inflation	2.00%
Salary Increases	0.1 to 5.60%
Discount Rate/Investment Rate of Return	2.25%
Amortization Method	10 year Level %

5. Local Retiree Life Insurance Schedules

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

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

Changes of Assumptions. The Single Discount Rate assumption used to develop Total OPEB Liability changed from the prior year. Please refer to the Actuarial Assumptions section in Note 8 of the Notes to Financial Statements.

OTHER SUPPLEMENTARY INFORMATION

**New Glarus School District
New Glarus, Wisconsin**

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

	<u>Food Service</u>	<u>Community Service Fund</u>	<u>Special Revenue Fund</u>	<u>Total Non- Major Governmental Funds</u>
ASSETS				
Cash and Investments	\$ 266,462	\$ 12,256	\$ 233,558	\$ 512,276
Receivables:				
Accounts	575	-	138	713
Other	6,856	-	-	6,856
Due from Other Funds	-	-	972	972
Due from Other Governments	39,179	-	-	39,179
Inventories	8,552	-	-	8,552
Total Assets	<u>\$ 321,624</u>	<u>\$ 12,256</u>	<u>\$ 234,668</u>	<u>\$ 568,548</u>
LIABILITIES				
Accounts Payable	\$ 89,471	\$ -	\$ 154	\$ 89,625
Accrued Liabilities	2,845	-	-	2,845
Due to Other Funds	-	-	602	602
Deposits	38,707	-	-	38,707
Total Liabilities	<u>131,023</u>	<u>-</u>	<u>756</u>	<u>131,779</u>
FUND BALANCES				
Nonspendable	8,552	-	10,000	18,552
Restricted	182,049	12,256	223,912	418,217
Total Fund Balances	<u>190,601</u>	<u>12,256</u>	<u>233,912</u>	<u>436,769</u>
Total Liabilities and Fund Balances	<u>\$ 321,624</u>	<u>\$ 12,256</u>	<u>\$ 234,668</u>	<u>\$ 568,548</u>

**New Glarus School District
New Glarus, Wisconsin**

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

	<u>Food Service</u>	<u>Community Service Fund</u>	<u>Special Revenue Fund</u>	<u>Total Non- Major Governmental Funds</u>
REVENUES				
Local	\$ 27,199	\$ -	\$ 55,302	\$ 82,501
State	10,281	-	-	10,281
Federal	480,277	-	-	480,277
Total Revenues	<u>517,757</u>	<u>-</u>	<u>55,302</u>	<u>573,059</u>
EXPENDITURES				
Current Expenditures				
Instruction				
Undifferentiated Curriculum	-	-	373	373
Vocational Instruction	-	-	3,677	3,677
Co-Curricular Activities	-	-	59,057	59,057
Total Instruction	<u>-</u>	<u>-</u>	<u>63,107</u>	<u>63,107</u>
Support Services				
Pupil Services	-	-	1,200	1,200
Business Services	-	-	125	125
Food Service	476,358	-	-	476,358
Total Support Services	<u>476,358</u>	<u>-</u>	<u>1,325</u>	<u>477,683</u>
Non-Program Services				
Total Current Expenditures	<u>476,358</u>	<u>-</u>	<u>65,182</u>	<u>541,540</u>
Total Expenditures	<u>476,358</u>	<u>-</u>	<u>65,182</u>	<u>541,540</u>
Net Change in Fund Balances	41,399	-	(9,880)	31,519
Fund Balances - Beginning	149,202	12,256	243,792	405,250
Fund Balances - Ending	<u>\$ 190,601</u>	<u>\$ 12,256</u>	<u>\$ 233,912</u>	<u>\$ 436,769</u>

NEW GLARUS SCHOOL DISTRICT

REPORT TO THE BOARD OF EDUCATION

2020/21 FINANCIAL STATEMENT HIGHLIGHTS

For the Year Ended June 30, 2021

Presented By:
Johnson Block & Co., Inc.
Certified Public Accountants
9701 Brader Way, Suite 202
Middleton, WI 53562
(608) 274-2002
Fax: (608) 274-4320

2021 AUDIT OVERVIEW

Content of Audit Report

- Independent Auditor's Report – our report is unmodified
- Management's Discussion and Analysis
- Government-Wide Financial Statements
 - Report Governmental Activities
 - Full-accrual basis of accounting
 - Governmental Fund Financial Statements identified below are converted
- Fund Financial Statements
 - Modified accrual basis of accounting
 - Contains financial statements on individual funds
 - Governmental Funds – measure resources available for current use. Funds include Major Funds: General Fund (including Special Education Fund), Debt Service, and Capital Projects, and Non-Major Funds
- Notes to the Financial Statements
 - Contains Summary of Significant Accounting Policies
 - Footnotes related to Significant Financial Statement Accounts (Cash, Debt, Capital Assets, Pension and OPEBs)
- Required Supplementary Information (RSI) and Other Supplementary Information (SI)
 - RSI includes: Budgetary comparisons for General and Special Education Funds, District Local Retiree Life Insurance Fund schedules, District Supplemental Pension Plan schedules, and WRS schedules.
 - SI includes: Non-Major Fund statements
- Single Audit Report – Required Compliance Audit
 - To be issued in a separate report
 - Expect to submit by end of January 2022

Other Reports

- PI-1506 AC Auditor Aid Certification – Submitted 9/10/21
- Audited Fund Balance Report – Submitted 9/10/21
- Federal SF-SAC Data Collection Form – Expect to submit by end of January 2022

Communication Packet

- Audit Matters Requiring Communication to the Governing Body – standard communication
- Additional Comments
 - Upcoming GASB Standard No. 87, *Leases*
- Adjusting and Proposed Journal Entries

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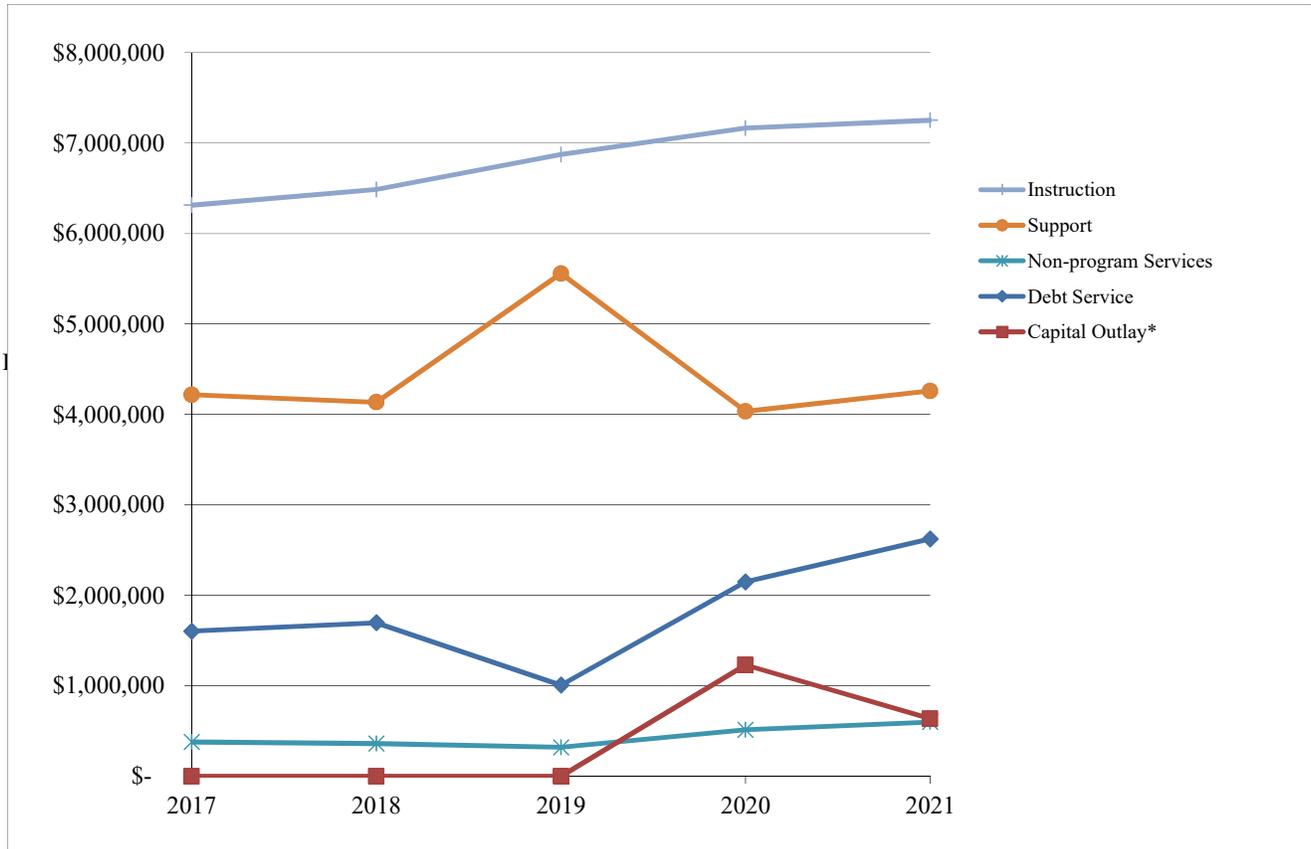
**NEW GLARUS SCHOOL DISTRICT
2021 Financial Statement Highlights**

	2021	2020
General Fund		
Assets		
Cash	\$ 3,199,588	\$ 2,994,537
Taxes Receivable	1,782,430	1,628,867
Other Assets	270,904	178,813
Total Assets	\$ 5,252,922	\$ 4,802,217
Liabilities and Fund Balance		
Accounts Payable	\$ 267,727	\$ 121,824
Accrued Payroll Liabilities	1,201,598	1,182,927
Other Liabilities	150,972	208,080
Total Liabilities	1,620,297	1,512,831
Total Fund Balance	3,632,625	3,289,386
Total Liabilities and Fund Balance	\$ 5,252,922	\$ 4,802,217
Detail of General Fund Balance		
Nonspendable	\$ -	\$ 3,267
Restricted	9,187	13,722
Unassigned	3,623,438	3,272,397
	\$ 3,632,625	\$ 3,289,386
Unassigned General Fund Balance	\$ 3,623,438	\$ 3,272,397
Subsequent Year General Fund Budget (Including Special Education)	\$ 13,102,611	\$ 12,900,819
	27.65%	25.37%
Summarized Income Statement		
General Fund and Special Education Fund	2021 Budget	2021 Actual
Revenues	\$ 13,319,246	\$ 13,292,181
Expenditures	(12,900,819)	(12,848,942)
Other financing sources (uses)	(150,954)	(100,000)
Net change in fund balance	\$ 267,473	\$ 343,239

NEW GLARUS SCHOOL DISTRICT
2021 Financial Statement Highlights (Continued)

Fund Balances	<u>2021</u>	<u>2020</u>
Special Revenue Funds		
Community Service	\$ 12,256	\$ 12,256
Special Revenue Trust	<u>233,912</u>	<u>243,792</u>
Total Special Revenue Fund Balances	<u>\$ 246,168</u>	<u>\$ 256,048</u>
Food Service Fund		
Food Service	<u>\$ 190,601</u>	<u>\$ 149,202</u>
Debt Service Funds		
Debt Service	<u>\$ 143,719</u>	<u>\$ 164,352</u>
Capital Projects Funds		
Capital Projects	<u>\$ 29,208,361</u>	<u>\$ 205,001</u>

NEW GLARUS SCHOOL DISTRICT
General Fund and Debt Service Expenditures
(Includes Special Education Fund)
Actual 2017-2021



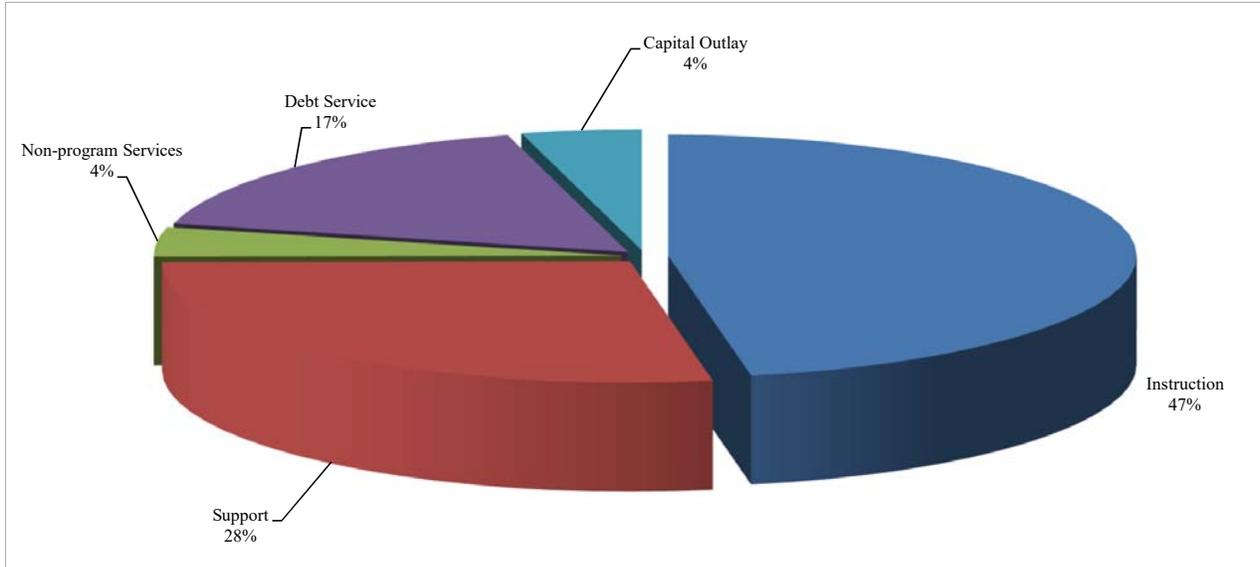
	2017	2018	2019	2020	2021
Instruction	\$ 6,314,131	\$ 6,486,860	\$ 6,873,531	\$ 7,165,227	\$ 7,253,035
Support	4,218,367	4,136,384	5,558,305	4,033,915	4,260,067
Non-program Services	379,103	363,241	322,024	514,607	600,453
Debt Service	1,605,029	1,699,219	1,007,926	2,150,635	2,625,069
Capital Outlay*	-	-	-	1,231,136	638,315
Totals	\$ 12,516,630	\$ 12,685,704	\$ 13,761,786	\$ 15,095,520	\$ 15,376,939

* In prior years, Capital Outlay was shown within the other functions.

NEW GLARUS SCHOOL DISTRICT

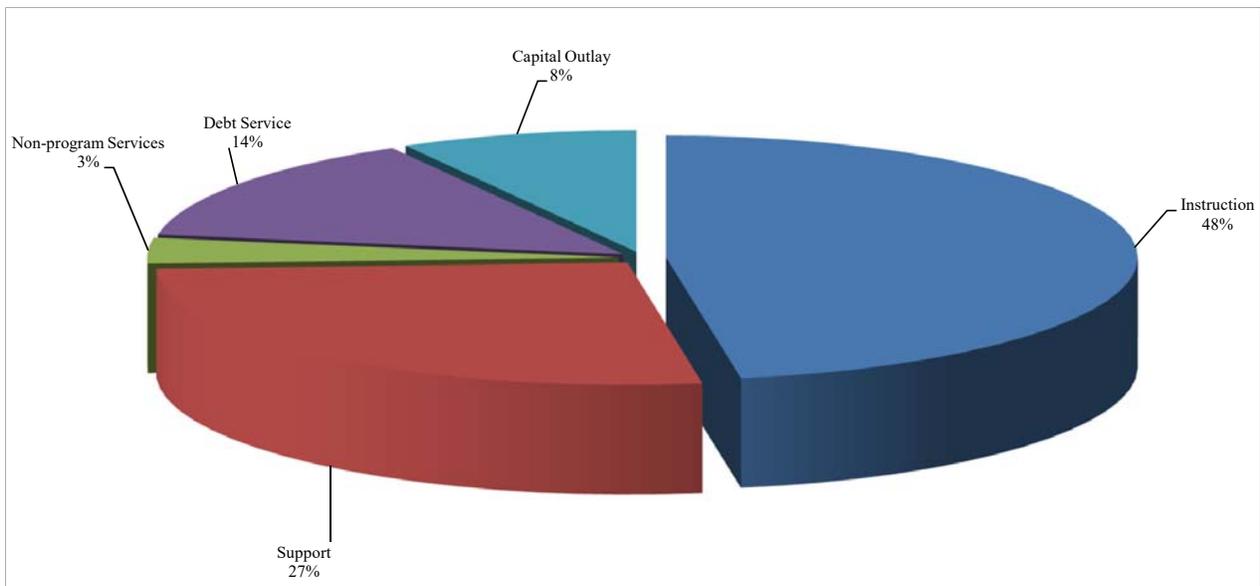
**2021 General Fund and Debt Service Expenditures
(Includes Special Education Fund)**

Total Expenditures: \$15,376,939

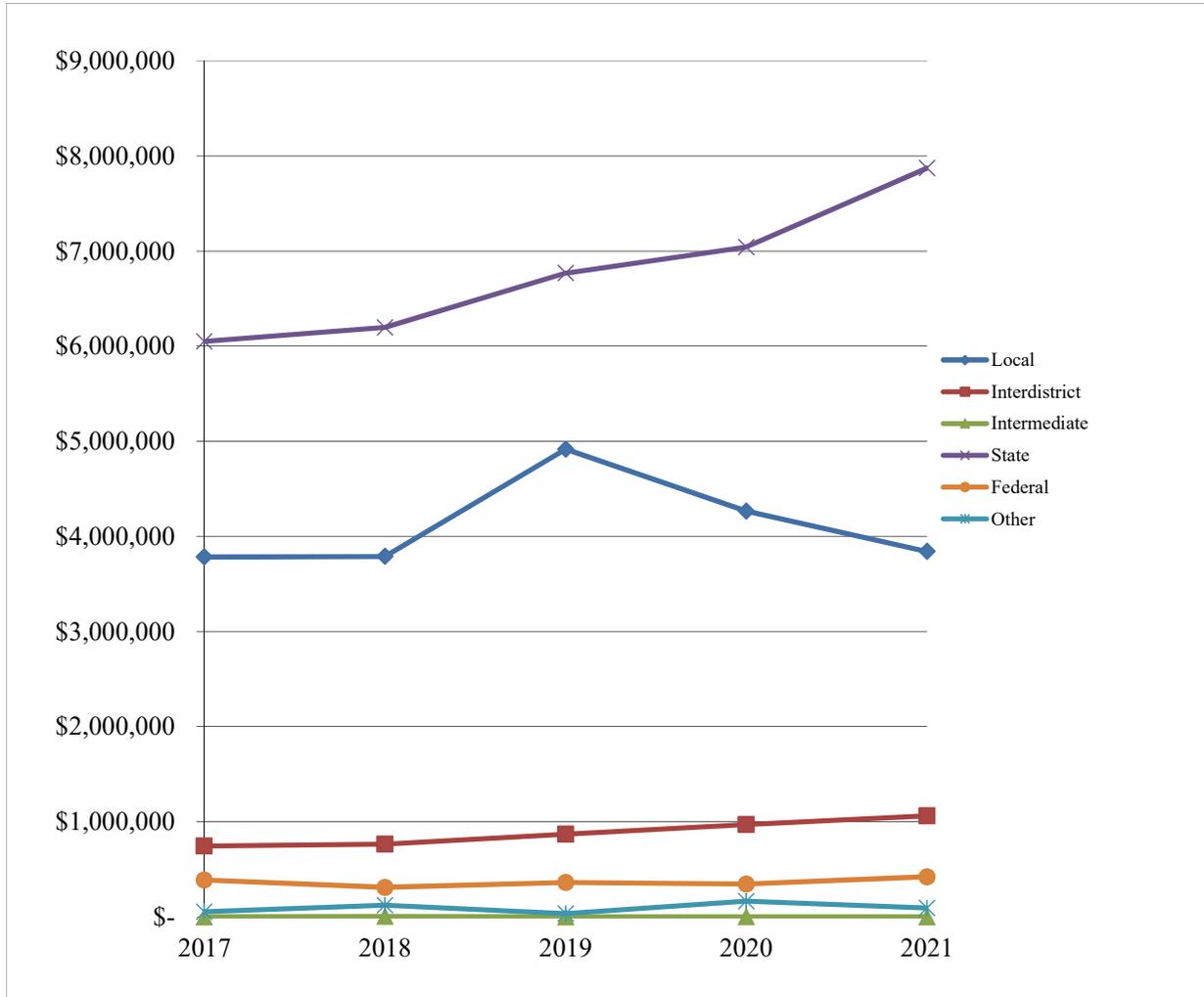


**2020 General Fund and Debt Service Expenditures
(Includes Special Education Fund)**

Total Expenditures: \$15,095,520



NEW GLARUS SCHOOL DISTRICT
General Fund Revenues
(Includes Special Education Fund)
Actual 2017-2021

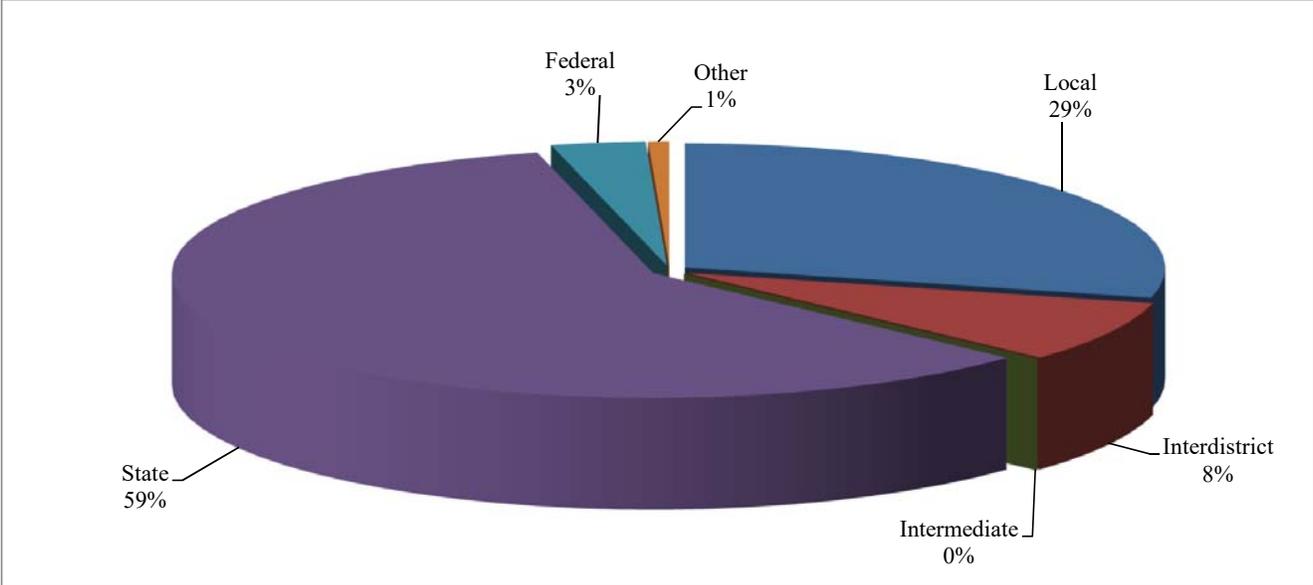


	2017	2018	2019	2020	2021
Local	\$ 3,783,495	\$ 3,789,861	\$ 4,917,639	\$ 4,265,453	\$ 3,842,535
Interdistrict	744,562	762,870	867,527	969,538	1,062,670
Intermediate	-	5,848	-	1,805	-
State	6,050,399	6,197,836	6,768,254	7,042,106	7,871,021
Federal	387,032	310,800	362,366	345,816	422,169
Other	54,378	122,469	34,193	165,702	93,786
Totals	\$ 11,019,866	\$ 11,189,684	\$ 12,949,979	\$ 12,790,420	\$ 13,292,181

NEW GLARUS SCHOOL DISTRICT

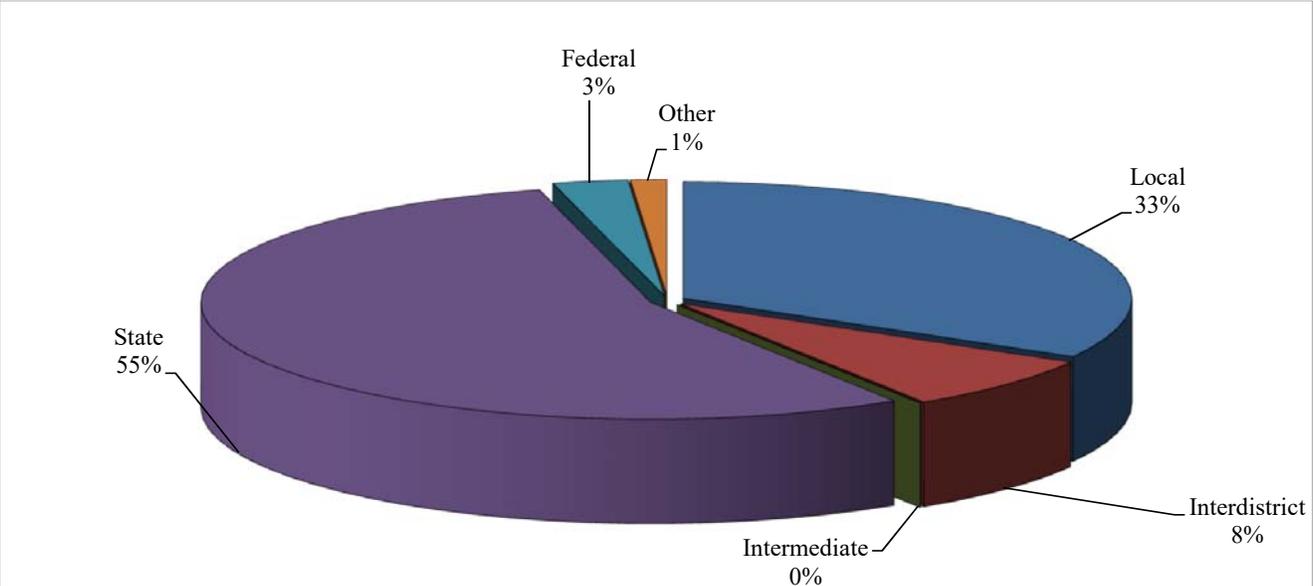
**2021 General Fund Revenues
(Includes Special Education Fund)**

Total Revenues: \$13,292,181



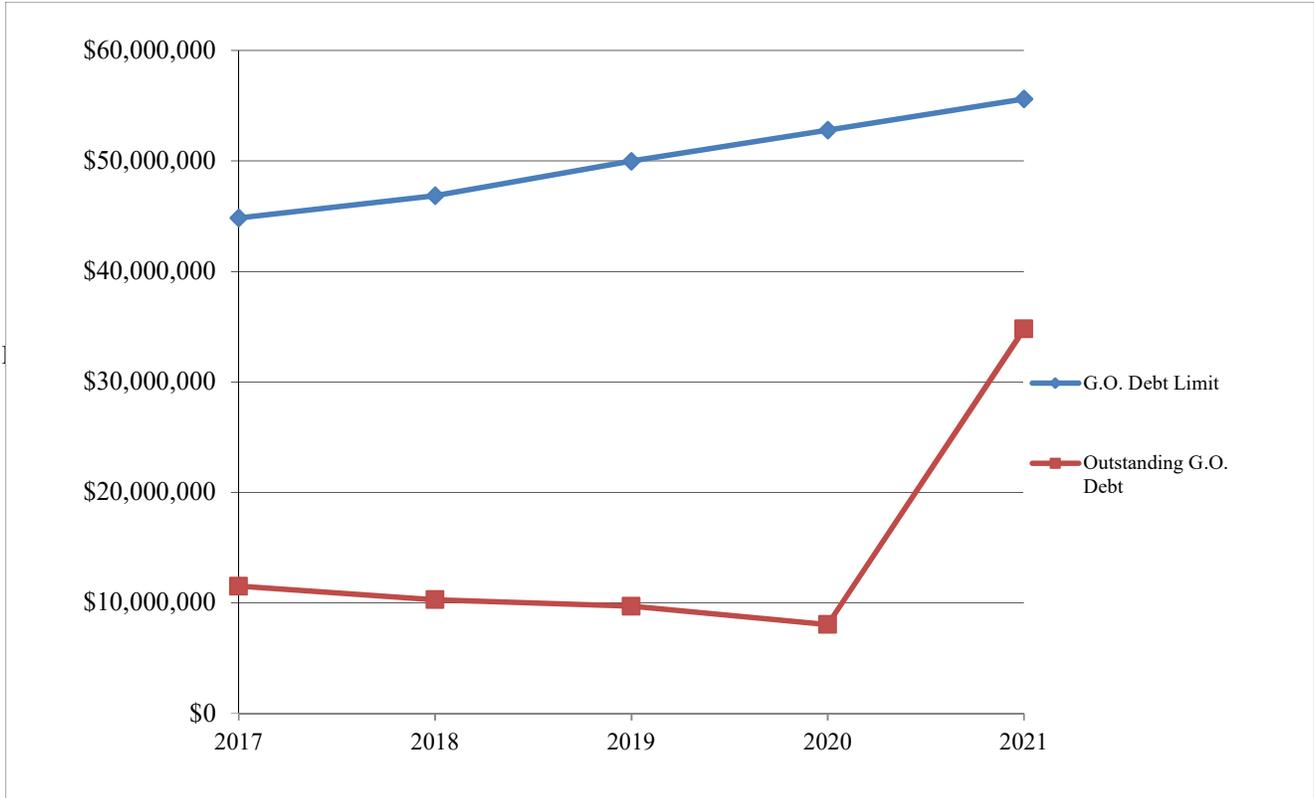
**2020 General Fund Revenues
(Includes Special Education Fund)**

Total Revenues: \$12,790,420



NEW GLARUS SCHOOL DISTRICT

**G. O. Debt vs. Capacity
Actual 2017-2021**



	2017	2018	2019	2020	2021
G.O. Debt Limit	\$ 44,823,936	\$ 46,836,899	\$ 49,967,893	\$ 52,777,065	\$ 55,601,875
Outstanding G.O. Debt	11,499,992	10,279,992	9,689,992	8,040,000	34,770,000
Difference	\$ 33,323,944	\$ 36,556,907	\$ 40,277,901	\$ 44,737,065	\$ 20,831,875
% Available	74.34%	78.05%	80.61%	84.77%	37.47%
Equalized Value	\$ 448,239,360	\$ 468,368,988	\$ 499,678,925	\$ 527,770,646	\$ 556,018,748
Growth	\$ 24,245,459	\$ 20,129,628	\$ 31,309,937	\$ 28,091,721	\$ 28,248,102
% Growth	5.72%	4.49%	6.68%	5.62%	5.35%

BUDGET ASSUMPTIONS 2022 - 23

01/10/22

SUMMER SCHOOL FTE		
24 FTE *.4 = 10 FTE		10

ROLLED SEPTEMBER STUDENT COUNT FORWARD		
EC - 0 = 0 FTE		0
4K - 45 = 27 FTE		27
K - 12 = 819 FTE		819
Sept FTE Est.		<u>846</u>

TOTAL FTE EST.		856
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THREE YEAR ROLLING AVERAGE IS 883 - last year 906		883
---	--	------------

OPEN ENROLLMENT -		
101 Reg Ed FTE In @ \$8,224 - 7 Sped FTE In @ 13,076		922,156
36 Reg Ed FTE Out @ \$8,224 - 6 Sped FTE Out @13,076		374,520
		<u>547,636</u>

PER PUPIL CATEGORICAL AID - \$742 PER FTE		655,186
---	--	---------

RLW - Allowed Per-Member - \$0.00 increase		0
---	--	----------

SALARY ADJUSTMENT - 3%

BENEFIT ADJUSTMENT

 HEALTH - 5%

 DENTAL - 5%

OTHER EXPENSE ADJUSTMENT

 SKYWARD SOFTWARE - 5%

 DISTRICT INSURANCE - 5%

 UTILITIES - 0%

POSSIBLE ADDITIONS

Additional ESSER II Funding		-
ESSER III funding		-
		-
		<u>-</u>

Reductions from prior year

-
-

REVENUE	80	14,455,658
EXPENSE		14,663,360
DEFICIT/EXCESS (Fund 10 and 27)		<u>(207,702)</u>

IV. Adjourn

PURSUANT TO APPLICABLE LAW, NOTICE IS HEREBY GIVEN THAT A QUORUM OR A MAJORITY OF THE NEW GLARUS SCHOOL DISTRICT BOARD MEMBERS MAY ATTEND THIS MEETING. INFORMATION PRESENTED AT THIS MEETING MAY HELP FORM THE RATIONALE BEHIND FUTURE ACTIONS THAT MY BE TAKEN BY THE NEW GLARUS SCHOOL DISTRICT BOARD.

UPON REQUEST TO THE DISTRICT OFFICE, SUBMITTED TWENTY-FOUR (24) HOURS IN ADVANCE, THE DISTRICT SHALL MAKE REASONABLE ACCOMODATIONS INCLUDING THE PROVISION OF INFORMATIONAL MATERIAL IN AN ALTERNATIVE FORMAT FOR A DISABLED PERSON TO BE ABLE TO ATTEND THIS MEETING.