

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN**

ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2020



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**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
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INDEPENDENT AUDITORS' REPORT

Board of Education
Green Bay Area Public School District
Green Bay, 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 Green Bay Area Public School District, Green Bay, Wisconsin (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12 and the budgetary comparison information and the schedules relating to pensions and other postemployment benefits on pages 52 through 56 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Prior-Year Comparative Information

We have previously audited the District's 2019 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated December 1, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

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

Other Information (Continued)

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Wausau, Wisconsin
November 27, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS



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MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2020

The management of the Green Bay Area Public School District (the District) offers readers of the District's basic financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2020. Readers should consider the information presented in the management's discussion and analysis in conjunction with the basic financial statements and the notes to the financial statements, which follow this narrative.

FINANCIAL HIGHLIGHTS

- The overall equalized property tax rate decreased from the prior year at \$9.97 per \$1,000 of property value for fiscal year 2019-20.

Overview of the Financial Statements

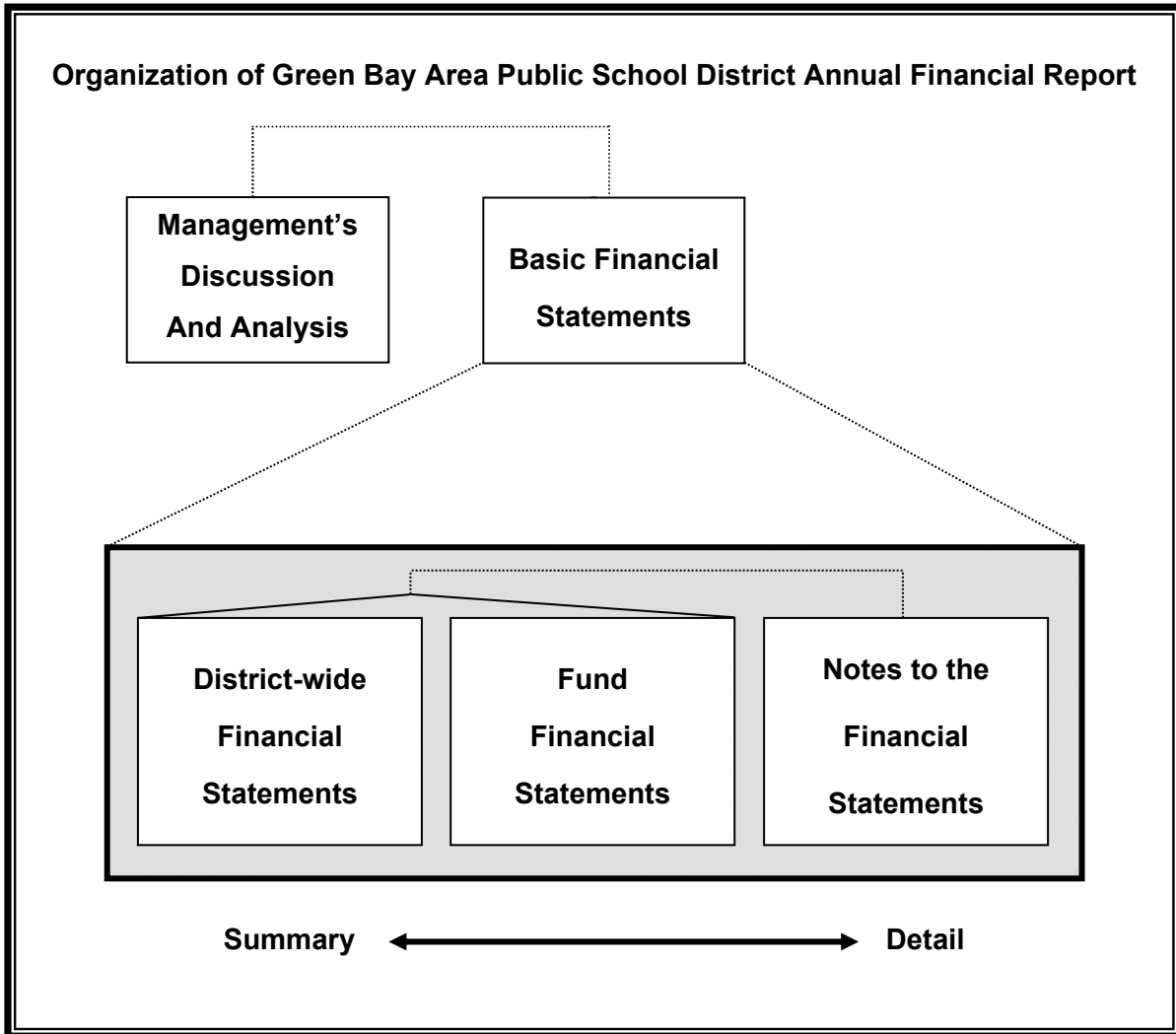
This annual report consists of three parts: management's discussion and analysis, the basic financial statements, and supplemental information. The basic financial statements include two types of statements that present different financial perspectives of the District:

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

Overview of the Financial Statements (Continued)

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of supplemental information that further explains and supports the financial statements. The following chart shows how the parts of this annual report are arranged and related to one another.



District-Wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred inflows and outflows of resources, and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when the related cash is received or paid.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

District-Wide Statements (Continued)

The two district-wide statements report the District's net position and how they have changed. Net position, which is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, is one way to measure the District's financial position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or declining, respectively.
- To assess the District's overall financial position, you also need to consider additional nonfinancial factors such as changes in the property tax base and condition of District facilities.

In the district-wide financial statements, the District's activities are reported in the following category:

- *Governmental Activities:* Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds, not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as federal grants).

The District has two types of funds:

- *Governmental Funds:* Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- *Fiduciary Funds:* The District is the trustee, or *fiduciary*, for assets that belong to others, such as the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

Fund Financial Statements (Continued)

	District-wide Statements	Governmental Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required Financial Statements	<ul style="list-style-type: none"> Statement of net position Statement of activities 	<ul style="list-style-type: none"> Balance sheet Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> Statement of fiduciary net position Statement of changes in fiduciary net position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

Net Position: The District's *combined* net position was less on June 30, 2020 compared to the prior year.

	Governmental Activities		Total Percentage Change
	2020	2019	2019-20
Assets:			
Current Assets	\$ 129.5	\$ 117.4	10.3 %
Capital Assets	249.0	225.8	10.3
Total Assets	<u>378.5</u>	<u>343.2</u>	10.3
Deferred Outflows of Resources	73.3	91.0	(19.5)
Liabilities:			
Long-Term Obligations	123.9	172.8	(28.3)
Other Liabilities	15.1	22.2	(32.0)
Total Liabilities	<u>139.0</u>	<u>195.0</u>	(28.7)
Deferred Inflows of Resources	<u>97.7</u>	<u>49.0</u>	99.4
Net Position:			
Net Investment in Capital Assets	203.9	188.7	8.1
Restricted	49.8	17.5	184.6
Unrestricted	(38.6)	(16.0)	141.3
Total Net Position	<u>\$ 215.1</u>	<u>\$ 190.2</u>	13.1

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

Fund Financial Statements (Continued)

Changes in Net Position: The District's governmental activities net position increased by \$24.9 million (see Figure A-1). The District's increase in financial position is the product of many factors. Assets increased by \$35.3 million. The cash balance decreased significantly due to expenditures related to referendum projects. There was an increase of \$31 million in the net pension asset due to the Wisconsin Retirement System being over 100% funded, which also resulted in a decrease in long term obligations.

The District's total net position increased by \$24.9 million from total revenues of \$329.9 million (see Figure A-2). Property taxes and state formula aid accounted for most of the District's revenue, with each contributing about 28% and 53%, respectively. Another 15% came from federal and state aid for specific programs and local revenue sources.

The total cost of all programs and services was \$305.0 million. The District's expenses are predominantly related to instructing, caring for (pupil services), and transporting students, along with building maintenance. Instruction and student related costs accounted for 64.0% of the District's expenses, while the District's administration, transportation, maintenance, and business activities accounted for 23.9% of total costs. Interest on debt, nonprogram and depreciation made up the remaining 12.1% of the total costs (see Figure A-3).

	Governmental Activities		Percentage Change
	2020	2019	2019-20
Revenues:			
Program Revenues:			
Charges for Services	\$ 6.1	\$ 6.1	-
Operating Grants and Contributions	50.9	52.7	(3.4)
General Revenues:			
Property Taxes	92.8	89.2	4.0
State Formula Aid	176.4	172.6	2.2
Other	3.7	5.0	(26.0)
Total Revenues	<u>329.9</u>	<u>325.6</u>	1.3
Expenses:			
Instruction	157.9	170.4	(7.3)
Support Services	110.0	120.1	(8.4)
Nonprogram	25.0	22.7	10.1
Interest on Debt	2.6	2.5	4.0
Depreciation - Unallocated	9.5	7.3	30.1
Total Expenses	<u>305.0</u>	<u>323.0</u>	(5.6)
Change in Net Position	<u>\$ 24.9</u>	<u>\$ 2.6</u>	857.7

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

Governmental Activities

Governmental activities increased the District's net position by \$24.9 million. Key elements of this increase are as follows:

- The District's expenditures decreased by \$18 million due to projects being completed this year for the referendum.
- State formula aid increased by \$3.8 million, a 2.2% increase from prior year.

Figure A-3 presents the cost of seven major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, interest on debt and other. The table also shows each activity's *net cost* (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions.

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2020	2019	2019-20	2020	2019	2019-20
Instruction	\$ 157.9	\$ 170.4	(7.3)%	\$ 126.8	\$ 139.8	(9.3)%
Support Services:						
Pupil and Instructional Services	37.2	39.9	(6.8)	27.9	30.5	(8.5)
Administration and Business	25.2	24.4	3.3	23.2	23.2	-
Maintenance and Operations	18.9	22.8	(17.1)	18.2	20.0	(9.0)
Transportation	9.0	9.2	(2.2)	8.1	8.1	-
Other	19.8	23.8	(16.8)	8.0	11.0	(27.3)
Nonprogram	24.9	22.7	9.7	23.8	21.8	9.2
Interest on Debt	2.6	2.5	4.0	2.6	2.5	4.0
Depreciation	9.5	7.3	30.1	9.5	7.3	30.1
Total	<u>\$ 305.0</u>	<u>\$ 323.0</u>	(5.6)	<u>\$ 248.1</u>	<u>\$ 264.2</u>	(6.1)

- The cost of all *governmental* activities this year was \$305 million.
- The users of the District's programs financed some of the cost. (2%)
- The federal and state governments subsidized certain programs with grants and contributions. (15%)
- The remaining portion of governmental activities was financed with \$92.8 million in property taxes, \$176.4 million of unrestricted state aid based on the statewide equalization aid formula, state categorical aids, and investment earnings.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The strong financial health of the District as a whole is reflected in its general fund balance which increased by \$11.1 million. As the District completed the year, its governmental funds reported a combined fund balance of \$83.4 million, a decrease of \$12.5 million from the prior year. The decrease in fund balance is mostly due to the expenditures of the referendum capital projects.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
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MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (CONTINUED)

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget a number of times. These budget amendments fall into three categories:

- New Grant Revenues and Expenditures
- Site Budget Transfers
- Operating Transfers

Although the District's final budget for the general fund anticipated that expenditures would equal revenues, the actual results for the year showed revenues exceeded expenditures and other financing sources and uses by \$11.1 million. \$7 million of this change was due to the self-funded health insurance outperforming the expectations throughout the year, especially with COVID hitting in the last quarter of the fiscal year. Department and building budgets were also underspent due to the pandemic which caused a state mandate to shut down schools for the remainder of the fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of the 2019-20 fiscal year, the District had invested \$249.0 million in a broad range of capital assets including land, site improvements, buildings, and equipment. (More detailed information about capital assets can be found in Note 3. to the financial statements.) Total depreciation expense for the year was \$9.5 million. The large increases within the buildings and site improvements categories were due to the finalization of the referendum and HVAC projects.

	Governmental Activities		Total Percentage Change
	2020	2019	2019-20
Land	\$ 8.7	\$ 8.7	-
Construction In Progress	-	48.7	(100.0)
Site Improvements	9.3	8.1	14.8
Buildings	353.7	274.7	28.8
Machinery and Equipment	16.5	15.3	7.8
Less: Accumulated Depreciation	(139.2)	(129.8)	7.2
Total	\$ 249.0	\$ 225.7	10.3

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
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MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Long-Term Debt

At year-end, the District had \$51.9 million in general obligation debt and \$72.0 million in compensated absences, unamortized debt premium, and retirement liabilities outstanding. (More detailed information about the District's long-term liabilities is presented in Notes 5, 7, and 8 to the financial statements.)

	Governmental Activities		Total Percentage Change
	2020	2019	2019-20
General Obligation Debt	\$ 51.9	\$ 66.5	(21.9)%
Other	72.0	106.3	(32.3)
Total	<u>\$ 123.9</u>	<u>\$ 172.8</u>	(28.3)

- The District holds an Aa2 rating from Moody's Investor Service.
- The decrease in other postemployment benefits is due in large part to the amount of the WRS pension liability changing from a liability of \$34.9 million to an asset of \$31.2 million.

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District was aware of existing circumstances that could impact its financial health in the future:

- Enrollment has decreased over the past four years, with the largest decrease being this year due to COVID, and will be closely followed as it will impact available financial resources in the future.
- The health insurance industry is expected to increase premiums for the foreseeable future and could adversely affect employee benefit costs.
- The District will receive approximately \$7.9 million in COVID relief funds from the state and federal government to help with the costs associated planning for the safety of staff and students.
- 2019-20 was the first year of the state biennial budget. Despite the pandemic, the 2020-21 state revenues will remain as projected.
- In April of 2017, the taxpayers supported a \$68.25 million facilities referendum. The referendum supported the construction of a new building for Baird elementary which opened in the fall of 2019. Along with some other major additions to existing elementary buildings on the East side, all 5k students attending the Froebel location were able to move back into their home schools and Froebel was closed to be used for other purposes.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
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YEAR ENDED JUNE 30, 2020**

- The Board of Education established the Capital Projects Fund (Fund 46) which will be used for future energy and maintenance projects.
- The Northeast Wisconsin School of Innovation was opened in the fall of 2019 for grades 6-12 providing additional educational opportunities for students.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

The financial report is designed to provide the District's citizens, taxpayers, customers, and 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 the Business Office of the Green Bay Area Public School District at 200 South Broadway, Green Bay, WI, 54303 or by calling (920) 448-2208.

BASIC FINANCIAL STATEMENTS

GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
STATEMENT OF NET POSITION
JUNE 30, 2020
(WITH COMPARATIVE AMOUNTS AS OF JUNE 30, 2019)

	Governmental Activities	
	2020	2019
ASSETS		
Cash and Investments	\$ 62,028,232	\$ 80,716,698
Receivables:		
Taxes	23,757,715	23,346,513
Accounts	1,188,269	496,267
Due from Other Governments	10,489,033	12,033,500
Inventories and Prepaid Items	825,459	854,645
Net Pension Asset	31,235,398	-
Capital Assets:		
Nondepreciable	8,729,996	57,475,948
Depreciable, Net	240,279,275	168,279,471
Total Assets	378,533,377	343,203,042
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charge on Refunding	2,311,656	233,267
Pension Related Amounts	69,433,189	90,297,327
Other Postemployment Related Amounts	1,587,523	446,020
Total Deferred Outflows of Resources	73,332,368	90,976,614
LIABILITIES		
Accounts Payable	2,974,513	7,736,775
Accrued and Other Current Liabilities	6,672,124	6,136,685
Accrued Interest Payable	319,642	683,629
Due to Other Governments	10,687	-
Unearned Revenues	30,526	33,015
Health and Dental Claims Payable	5,172,018	7,619,565
Long-Term Obligations:		
Due in One Year	18,380,000	5,410,000
Due in More Than One Year	45,403,765	73,791,309
Other Postemployment Benefits Liability - Due In One Year	1,323,048	1,316,170
Other Postemployment Benefits Liability - Due In More Than One Year	27,819,836	26,677,876
Pension Liability - Due In One Year	2,849,384	2,450,683
Pension Liability - Due In More Than One Year	28,099,452	63,122,749
Total Liabilities	139,054,995	194,978,456
DEFERRED INFLOWS OF RESOURCES		
Pension Related Amounts	94,812,285	48,964,869
Other Postemployment Related Amounts	2,936,502	-
Total Deferred Inflows of Resources	97,748,787	48,964,869
NET POSITION		
Net Investment in Capital Assets	203,897,981	188,727,818
Restricted	49,780,442	17,554,362
Unrestricted	(38,616,460)	(16,045,849)
Total Net Position	\$ 215,061,963	\$ 190,236,331

See accompanying Notes to Basic Financial Statements.

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
					2020	2019
GOVERNMENTAL ACTIVITIES						
Instruction	\$ 157,985,448	\$ 4,650,355	\$ 26,571,103	\$ -	\$ (126,763,990)	\$ (139,773,601)
Support Services	110,095,995	1,495,104	23,156,863	-	(85,444,028)	(92,864,327)
Nonprogram	24,921,985	-	1,133,099	-	(23,788,886)	(21,781,130)
Interest and Fiscal Charges	2,573,765	-	-	-	(2,573,765)	(2,463,333)
Depreciation - Unallocated	9,515,894	-	-	-	(9,515,894)	(7,331,370)
Total Governmental Activities	<u>\$ 305,093,087</u>	<u>\$ 6,145,459</u>	<u>\$ 50,861,065</u>	<u>\$ -</u>	(248,086,563)	(264,213,761)
GENERAL REVENUES						
Property Taxes					92,825,840	89,180,561
Other Taxes					162,934	159,577
State and Federal Aids Not Restricted to Specific Functions					176,421,091	172,565,084
Interest and Investment Earnings					2,052,606	2,184,509
Gain on Disposal of Capital Assets					148,676	59,532
Miscellaneous					1,301,048	2,674,425
Total General Revenues					<u>272,912,195</u>	<u>266,823,688</u>
CHANGE IN NET POSITION					24,825,632	2,609,927
Net Position - Beginning of Year					<u>190,236,331</u>	<u>187,626,404</u>
NET POSITION - END OF YEAR					<u>\$ 215,061,963</u>	<u>\$ 190,236,331</u>

See accompanying Notes to Basic Financial Statements.

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

	General	Capital Projects	Other Governmental Funds	Totals	
				2020	2019
ASSETS					
Cash and Investments	\$ 42,069,959	\$ 3,731,762	\$ 16,226,511	\$ 62,028,232	\$ 80,716,698
Receivables:					
Taxes	23,757,715	-	-	23,757,715	23,346,513
Accounts	1,036,650	-	151,619	1,188,269	496,267
Due from Other Funds	1,184,687	3,000,005	-	4,184,692	1,162,695
Due from Other Governments	9,035,854	-	1,453,179	10,489,033	12,033,500
Inventories and Prepaid Items	347,374	-	478,085	825,459	854,645
	<u>347,374</u>	<u>-</u>	<u>478,085</u>	<u>825,459</u>	<u>854,645</u>
Total Assets	<u>\$ 77,432,239</u>	<u>\$ 6,731,767</u>	<u>\$ 18,309,394</u>	<u>\$ 102,473,400</u>	<u>\$ 118,610,318</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 2,074,798	\$ 128,461	\$ 771,254	\$ 2,974,513	\$ 7,736,775
Accrued and Other Current Liabilities	6,672,124	-	-	6,672,124	6,136,685
Due to Other Funds	3,000,005	-	1,184,687	4,184,692	1,162,695
Due to Other Governments	-	-	10,687	10,687	-
Unearned Revenues	30,526	-	-	30,526	33,015
Health and Dental Claims Payable	5,172,018	-	-	5,172,018	7,619,565
Total Liabilities	<u>16,949,471</u>	<u>128,461</u>	<u>1,966,628</u>	<u>19,044,560</u>	<u>22,688,735</u>
FUND BALANCES					
Nonspendable	347,374	-	478,085	825,459	854,645
Restricted	-	6,603,306	15,864,681	22,467,987	46,058,612
Assigned	13,000,000	-	-	13,000,000	13,000,000
Unassigned	47,135,394	-	-	47,135,394	36,008,326
Total Fund Balances	<u>60,482,768</u>	<u>6,603,306</u>	<u>16,342,766</u>	<u>83,428,840</u>	<u>95,921,583</u>
Total Liabilities and Fund Balances	<u>\$ 77,432,239</u>	<u>\$ 6,731,767</u>	<u>\$ 18,309,394</u>	<u>\$ 102,473,400</u>	<u>\$ 118,610,318</u>

See accompanying Notes to Basic Financial Statements.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
RECONCILIATION OF THE BALANCE SHEET — GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2019)**

	2020	2019
RECONCILIATION TO THE STATEMENT OF NET POSITION		
Total Fund Balances as Shown on Previous Page	\$ 83,428,840	\$ 95,921,583
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	249,009,271	225,755,419
Long-term assets are not considered available; therefore, are not reported in the funds:		
Net Pension Asset	31,235,398	-
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.		
Deferred Charge on Advance Refunding	2,311,656	233,267
Deferred Outflows Related to Pensions	69,433,189	90,297,327
Deferred Inflows Related to Pensions	(94,812,285)	(48,964,869)
Deferred Outflows Related to Other Postemployment Benefits	1,587,523	446,020
Deferred Inflows Related to Other Postemployment Benefits	(2,936,502)	-
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Bonds and Notes Payable	(51,925,000)	(66,500,000)
Premium on Debt	(1,208,347)	(2,771,489)
Compensated Absences	(10,650,418)	(9,929,820)
Other Postemployment Benefits Liability	(29,142,884)	(27,994,046)
Pension Liability	(30,948,836)	(65,573,432)
Accrued Interest on Long-Term Obligations	(319,642)	(683,629)
Net Position of Governmental Activities as Reported on the Statement of Net Position	\$ 215,061,963	\$ 190,236,331

See accompanying Notes to Basic Financial Statements.

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

	General	Capital Projects	Other Governmental Funds	Totals	
				2020	2019
REVENUES					
Property Taxes	\$ 74,161,472	\$ -	\$ 18,664,368	\$ 92,825,840	\$ 89,180,561
Other Local Sources	1,849,705	636,718	3,841,414	6,327,837	7,548,639
Interdistrict Sources	3,913,931	-	-	3,913,931	3,464,711
Intermediate Sources	1,366	-	-	1,366	9,338
State Sources	197,290,785	-	174,117	197,464,902	194,224,370
Federal Sources	15,545,774	-	12,556,636	28,102,410	28,757,279
Other Sources	268,997	-	904,773	1,173,770	2,373,738
Total Revenues	293,032,030	636,718	36,141,308	329,810,056	325,558,636
EXPENDITURES					
Instruction:					
Regular Instruction	83,371,414	-	2,857,160	86,228,574	86,521,991
Vocational Instruction	5,891,266	-	-	5,891,266	6,298,415
Special Education Instruction	35,069,888	-	-	35,069,888	35,826,462
Other Instruction	25,146,659	-	685,618	25,832,277	29,134,547
Total Instruction	149,479,227	-	3,542,778	153,022,005	157,781,415
Support Services:					
Pupil Services	19,242,689	-	1,074,222	20,316,911	19,863,550
Instructional Staff Services	15,722,965	-	39,207	15,762,172	15,210,844
General Administration Services	4,595,277	-	1,277,189	5,872,466	6,122,416
School Administration Services	15,363,398	-	869,009	16,232,407	15,387,048
Business Services	2,578,984	-	-	2,578,984	2,458,878
Operations and Maintenance of Plant	25,772,282	24,854,038	102,819	50,729,139	65,911,404
Pupil Transportation Services	8,659,290	-	269,761	8,929,051	9,220,448
Food Services	-	-	10,938,374	10,938,374	11,473,116
Central Services	1,938,611	-	-	1,938,611	1,902,955
Insurance	790,756	-	-	790,756	875,043
Other Support Services	9,264,331	-	-	9,264,331	12,283,259
Total Support Services	103,928,583	24,854,038	14,570,581	143,353,202	160,708,961
Debt Service:					
Principal	-	-	16,870,000	16,870,000	12,210,000
Interest and Fiscal Charges	4,150	-	2,802,248	2,806,398	3,034,713
Total Debt Service	4,150	-	19,672,248	19,676,398	15,244,713
Nonprogram:					
General Tuition Payments	17,749,726	-	24,679	17,774,405	16,899,545
Special Education Tuition Payments	553,083	-	-	553,083	771,292
Adjustments and Refunds	81,417	-	23,619	105,036	205,267
Voucher Payments	6,432,317	-	-	6,432,317	4,694,487
Revenue Transits to Others	15,294	-	-	15,294	47,258
Trust Fund Disbursements	-	-	41,850	41,850	45,700
Total Nonprogram	24,831,837	-	90,148	24,921,985	22,663,549
Total Expenditures	278,243,797	24,854,038	37,875,755	340,973,590	356,398,638
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	14,788,233	(24,217,320)	(1,734,447)	(11,163,534)	(30,840,002)
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	-	-	40,090,000	40,090,000	-
Payment to Advance Refunding Escrow Agent	-	-	(41,567,885)	(41,567,885)	-
Proceeds from Sale of Capital Assets	148,676	-	-	148,676	105,361
Transfers In	-	3,000,005	1,009,126	4,009,131	4,150,537
Transfers Out	(3,798,963)	-	(210,168)	(4,009,131)	(4,150,537)
Total Other Financing Sources (Uses)	(3,650,287)	3,000,005	(678,927)	(1,329,209)	105,361
NET CHANGE IN FUND BALANCES	11,137,946	(21,217,315)	(2,413,374)	(12,492,743)	(30,734,641)
Fund Balances - Beginning of Year	49,344,822	27,820,621	18,756,140	95,921,583	126,656,224
FUND BALANCES - END OF YEAR	\$ 60,482,768	\$ 6,603,306	\$ 16,342,766	\$ 83,428,840	\$ 95,921,583

See accompanying Notes to Basic Financial Statements.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES — GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2019)**

	2020	2019
RECONCILIATION TO THE STATEMENT OF ACTIVITIES		
Net Change in Fund Balances as Shown on Previous Page	\$ (12,492,743)	\$ (30,734,641)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital Assets Reported as Capital Outlay		
Reported in Governmental Fund Statements	32,809,759	44,094,322
Depreciation Expense Reported in the Statement of Activities	(9,515,894)	(7,331,370)
Net Book Value of Disposals	(40,013)	(103,829)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Long-Term Debt Issued	(40,090,000)	-
Principal Repaid	54,665,000	12,210,000
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Accrued Interest on Long-Term Debt	363,987	306,715
Amortization of Premiums, Discounts, and Deferred Charge on Advance Refunding	3,641,531	264,665
Compensated Absences	(720,598)	(779,106)
Pension Asset/Liability	65,859,994	(64,733,793)
Deferred Outflows of Resources Related to Pensions	(20,864,138)	41,407,419
Deferred Inflows of Resources Related to Pensions	(45,847,416)	9,951,078
Other Postemployment Benefits	(1,148,838)	(2,387,553)
Deferred Outflows of Resources Related to Other Postemployment Benefits	1,141,503	446,020
Deferred Inflows of Resources Related to Other Postemployment Benefits	(2,936,502)	-
Change in Net Position of Governmental Activities as Reported in the Statement of Activities	\$ 24,825,632	\$ 2,609,927

See accompanying Notes to Basic Financial Statements.

GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
PUPIL ACTIVITY AGENCY FUND
STATEMENT OF NET POSITION
JUNE 30, 2020
 (WITH COMPARATIVE AMOUNTS AS OF JUNE 30, 2019)

	2020	2019
ASSETS		
Cash and Investments	\$ 899,554	\$ 852,697
LIABILITIES		
Due to Student Organizations	\$ 899,554	\$ 852,697

See accompanying Notes to Basic Financial Statements.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

B. District-Wide and Fund Financial Statements

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

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

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

The District reports the following major governmental funds:

General Fund

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Capital Projects Fund

This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Additionally, the District reports the following fund types:

- The District accounts for assets held as an agent for various student and parent organizations in an *agency fund*.

C. Measurement Focus and Basis of Accounting

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

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

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

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

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

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Cash and Investments

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

Property Taxes

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

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

Accounts Receivable

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

Interfund Receivables and Payables

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

Inventories

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Inventories (Continued)

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

Prepaid Items

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

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

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the district-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost greater than shown and an estimated useful life in excess of five years.

Assets	Governmental Activities Cost
Site Improvements	\$ 25,000
Buildings	25,000
Machinery and Equipment	5,000

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

Assets	Governmental Activities Years
Site Improvements	20
Buildings	50
Machinery and Equipment	5 to 20

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Compensated Absences

The District's policy allows employees to earn varying amounts of sick pay for each year employed, accumulating to varying maximum amounts. Upon retirement, the employees are entitled to 46% to 70% of the unused portion, which is used to pay their group health insurance until the vested amount is exhausted. Certain classifications of employees may receive amounts due in cash. The District employees are also granted vacation days in varying amounts based on length of service. Upon retirement or termination of employment, the employees are paid for the unused portion. All vacation leave is accrued when incurred in the district-wide statements. Sick leave for employees aged 55 and older is also accrued in the district-wide statements. Expenditures for these benefits are recognized as paid in the fund financial statements.

Deferred Outflows/Inflows of Resources

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

Long-Term Obligations

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

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

Pensions

1. Wisconsin Retirement System

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Pensions (Continued)

2. Supplemental Pension Plan

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

Other Postemployment Benefits Other Than Pensions (OPEB)

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

Fund Equity

1. Governmental Fund Financial Statements

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

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

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

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

Assigned Fund Balance: Amounts that are constrained for specific purposes by action of District management. The board of education has authorized the Assistant Superintendent of Business and Financial Services to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Equity (Continued)

1. Governmental Fund Financial Statements (Continued)

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

2. District-Wide Statements

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

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

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

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

E. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

F. Prior Year Information

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Reclassifications

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

NOTE 2 CASH AND INVESTMENTS

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

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

Time deposits; repurchase agreements; securities issued by federal, state, and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool. Investments in the private-purpose trust fund may be invested in other types of investments as authorized under Wisconsin Statute 881.01, "Uniform Prudent Investor Act."

The carrying amount of the District's cash and investments totaled \$62,927,786 on June 30, 2020 as summarized below:

Petty Cash and Cash on Hand	\$ 13,785
Deposits with Financial Institutions	2,535,906
Beneficial Interest in Investment in Community Foundation	421,517
Investments:	
Wisconsin Investment Series Cooperative	59,956,578
Total	<u>\$ 62,927,786</u>

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 62,028,232
Fiduciary Fund Statement of Net Position:	
Agency Fund	899,554
Total	<u>\$ 62,927,786</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements

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

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

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

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

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

The District has the following fair value measurements as of June 30, 2020:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments:			
Beneficial Interest in			
Investments Held by			
Community Foundation	\$ -	\$ 421,517	\$ -

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk

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

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

As of June 30, 2020, \$3,480,618 of the District's deposits with financial institutions were in excess of federal and state depository insurance limits, of which \$3,480,618 was collateralized with securities held by the pledging financial institution or its trust department or agent but not in the District's name.

Credit Risk

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

Investment Type:	Amount	Exempt from Disclosure	AAA	AA	A	Not Rated
Beneficial Interest in Investments Held by Community Foundation	\$ 421,517	\$ -	\$ -	\$ -	\$ -	\$ 421,517
Wisconsin Investment Series Cooperative	59,956,578	-	59,956,578	-	-	-
Total	<u>\$ 60,378,095</u>	<u>\$ -</u>	<u>\$ 59,956,578</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 421,517</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer.

Interest Rate Risk

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

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

	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Investment Type:					
Beneficial Interest in Investments Held by Community Foundation Wisconsin Investment Series Cooperative	\$ 421,517	\$ 421,517	\$ -	\$ -	\$ -
Total	<u>59,956,578</u>	<u>59,956,578</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 60,378,095</u>	<u>\$ 60,378,095</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Investment in Wisconsin Investment Series Cooperation

The District has investments in the Wisconsin Investment Series Cooperative (WISC) of \$59,956,578 at year-end consisting of \$4 invested in the cash management series and \$59,956,574 invested in the investment series. The cash management series has no minimum investment period, allows check writing privileges, and the average dollar weighted maturity is ninety (90) days or less. The investment series requires a 14-day minimum investment period and one business day withdrawal notice, and the average dollar weighted maturity is one hundred twenty (120) days or less.

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Beneficial Interest in Assets Held by Community Foundation

Beneficial interest in assets held by the community foundation represents amounts held at Greater Green Bay Community Foundation, Inc. (the Foundation). These amounts are the legal assets of the Foundation with the restriction that the Foundation makes distributions to the District as needed. The agreement governing the assets includes a variance power allowing the Foundation to modify the restrictions to the distributions from the funds.

NOTE 3 CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital Assets, Nondepreciable:				
Land	\$ 8,729,996	\$ -	\$ -	\$ 8,729,996
Construction in Progress	48,745,952	24,762,099	73,508,051	-
Total Capital Assets, Nondepreciable	57,475,948	24,762,099	73,508,051	8,729,996
Capital Assets, Depreciable:				
Site Improvements	8,083,688	1,252,310	-	9,335,998
Buildings	274,689,225	78,996,794	-	353,686,019
Machinery and Equipment	15,277,677	1,306,608	111,143	16,473,142
Subtotals	298,050,590	81,555,712	111,143	379,495,159
Less Accumulated Depreciation for:				
Site Improvements	4,710,682	323,929	-	5,034,611
Buildings	114,577,945	8,365,135	-	122,943,080
Machinery and Equipment	10,482,493	826,830	71,130	11,238,193
Subtotals	129,771,120	9,515,894	71,130	139,215,884
Total Capital Assets, Depreciable, Net	168,279,470	72,039,818	40,013	240,279,275
Governmental Activities Capital Assets, Net	<u>\$ 225,755,418</u>	<u>\$ 96,801,917</u>	<u>\$ 73,548,064</u>	249,009,271
Less: Capital Related Debt				45,966,699
Less: Capital Related Accounts Payable and Retainage Payable				247,900
Less: Debt Premium				1,208,347
Add: Deferred Charge on Refunding				2,311,656
Net Investment in Capital Assets				<u>\$ 203,897,981</u>

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 4 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund receivables and payables between individual funds of the District, as reported in the fund financial statements, as of June 30, 2020 are detailed below:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Temporary Cash Advances to Finance		
Operating Cash Deficits:		
Governmental Funds:		
General	\$ 1,184,687	\$ -
Indian Education	-	67,010
Headstart	-	1,117,677
Cash Transfer Subsequent to Year-End:		
General	-	3,000,005
Capital Projects	3,000,005	-
Total	<u>\$ 4,184,692</u>	<u>\$ 4,184,692</u>

Interfund transfers for the year ended June 30, 2020 were as follows:

Fund:	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ -	\$ 3,798,963
Capital Projects	3,000,005	-
Donations	210,168	-
Scholarships	-	210,168
Food Service	798,958	-
Total	<u>\$ 4,009,131</u>	<u>\$ 4,009,131</u>

Interfund transfers were made for the following purposes:

To Transfer Funds for Long-Term Capital Projects	\$ 3,000,005
To Transfer Donations No Longer Used for Scholarships	210,168
To Transfer Funds for Uncollectible Lunch Balances	798,958
Total	<u>\$ 4,009,131</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 5 LONG-TERM OBLIGATIONS

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

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Debt:					
Bonds	\$ 61,405,000	\$ 40,090,000	\$ 52,290,000	\$ 49,205,000	\$ 16,460,000
Notes	5,095,000	-	2,375,000	2,720,000	1,020,000
Total General					
Obligation Debt	66,500,000	40,090,000	54,665,000	51,925,000	17,480,000
Debt Premium	2,771,489	-	1,563,142	1,208,347	-
Compensated Absences	9,929,820	1,843,538	1,122,940	10,650,418	900,000
Governmental					
Activities Long-Term					
Obligations	<u>\$ 79,201,309</u>	<u>\$ 41,933,538</u>	<u>\$ 57,351,082</u>	<u>\$ 63,783,765</u>	<u>\$ 18,380,000</u>

Total interest paid during the year on long-term debt totaled \$1,940,319, net of recorded interest rebates.

Advance Refunding

During 2020, the District advance refunded part of a general obligation bond issue from 2017. The District issued \$40,090,000 of general obligation bonds to provide resources to purchase U.S. Government and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the financial statements. This advance refunding was undertaken to reduce total debt service payments over the next 17 years by \$12,650,191 and to obtain an economic loss (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$815,845.

Cash Defeasance

In prior years, the District defeased \$5,895,000 of a general obligation bond issues using available District cash. As a result, the liabilities have been removed from the financial statements.

At June 30, 2020, \$42,645,000 of outstanding general obligation bonds are considered defeased.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 6/30/20
General Obligation Bonds	06/28/10	04/01/21	0.00%	\$ 2,965,000	\$ 300,000
General Obligation Bonds	12/11/12	04/01/21	1.50 - 1.90%	10,275,000	2,355,000
General Obligation Notes	06/23/14	04/01/24	1.5 - 3.00%	20,000,000	1,020,000
General Obligation Notes	07/06/15	04/01/22	3.00%	9,000,000	1,700,000
General Obligation Bonds	07/12/17	04/01/27	3.125 - 4.00%	56,615,000	18,820,000
General Obligation Bonds	11/18/19	04/01/27	1.90 - 2.40%	40,900,000	27,730,000
Total Outstanding General Obligation Debt					<u>\$ 51,925,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$51,925,000 on June 30, 2020 are detailed below:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2021	\$ 17,480,000	\$ 1,278,565	\$ 18,758,565
2022	12,725,000	909,950	13,634,950
2023	6,880,000	586,850	7,466,850
2024	3,565,000	393,356	3,958,356
2025	3,665,000	293,200	3,958,200
2026-2027	7,610,000	300,650	7,910,650
Total	<u>\$ 51,925,000</u>	<u>\$ 3,762,571</u>	<u>\$ 55,687,571</u>

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

Legal Margin for New Debt

The District's legal margin for creation of additional general obligation debt on June 30, 2020 was \$927,410,686 as follows:

Equalized Valuation of the District	\$ 9,793,356,860
Statutory Limitation Percentage	<u>(x) 10%</u>
General Obligation Debt Limitation, Per Section 67.03 of the Wisconsin Statutes	979,335,686
Less: Total Outstanding General Obligation Debt Applicable to Debt Limitation	51,925,000
Legal Margin for New Debt	<u>\$ 927,410,686</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6 OPERATING LEASES

The District leases various equipment under long-term operating leases. Following is a schedule, by years, of future minimum rental payments required under long-term operating leases:

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ 143,170
2022	125,833
2023	110,727
2024	74,042
2025	74,042
2026	18,510
Total Minimum Payments Required	<u><u>\$ 546,324</u></u>

Rent expense under all operating leases for the year ended June 30, 2020 amounted to \$1,958,178.

NOTE 7 PENSION PLANS

The District reports pension related balances at June 30, 2020, as summarized below:

	<u>Pension Asset</u>	<u>Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
Wisconsin Retirement System (WRS)	\$ 31,235,398	\$ -	\$ 67,914,649	\$ 93,759,248	\$ 11,546,298
Supplemental or Stipend Pension Plan	-	30,948,836	1,518,540	1,053,037	2,409,413
Total	<u><u>\$ 31,235,398</u></u>	<u><u>\$ 30,948,836</u></u>	<u><u>\$ 69,433,189</u></u>	<u><u>\$ 94,812,285</u></u>	<u><u>\$ 13,955,711</u></u>

WRS Pension Plan Description

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

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

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.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7 PENSION PLANS (CONTINUED)

WRS Pension Plan Description (Continued)

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

Final average earnings is the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

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

The WRS also provides death and disability benefits for employees.

Post-Retirement Adjustments

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

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2010	(1.3)%	22.0 %
2011	(1.2)%	11.0 %
2012	(7.0)%	(7.0)%
2013	(9.6)%	9.0 %
2014	4.7 %	25.0 %
2015	2.9 %	20.0 %
2016	0.5 %	5.0 %
2017	2.0 %	4.0 %
2018	2.4 %	17.0 %
2019	- %	(10.0)%

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7 PENSION PLANS (CONTINUED)

WRS Pension Plan Description (Continued)

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, 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 July 1, 2019 through June 30, 2020, the WRS recognized \$10,382,152 in contributions from the District.

Contribution rates for the reporting period are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General Including Teachers, Executives and Elected Officials)	6.75 %	6.75 %
Protective with Social Security	6.75 %	11.65 %
Protective without Social Security	6.75 %	16.25 %

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

At June 30, 2020, the District reported an asset of \$31,235,398 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension asset was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2019, the District's proportion was 0.96870273%, which was a decrease of 0.01402420% from its proportion measured as of December 31, 2018.

For the year ended June 30, 2020, the District recognized pension expense of \$11,546,298.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7 PENSION PLANS (CONTINUED)

WRS Pension Plan Description (Continued)

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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 59,291,925	\$ 29,671,641
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	63,856,258
Changes in Assumptions	2,434,067	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	8,527	231,349
Employer Contributions Subsequent to the Measurement Date	6,180,130	-
Total	<u>\$ 67,914,649</u>	<u>\$ 93,759,248</u>

The \$6,180,130 reported as deferred outflows related to pension resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Expense</u>
2021	\$ (9,569,082)
2022	(7,096,370)
2023	1,082,765
2024	(16,442,042)
Total	<u>\$ (32,024,729)</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7 PENSION PLANS (CONTINUED)

WRS Pension Plan Description (Continued)

Actuarial Assumptions

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

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

* No 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, 2019 is based upon a roll-forward of the liability calculated from the December 31, 2018 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.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7 PENSION PLANS (CONTINUED)

WRS Pension Plan Description (Continued)

Long-Term Expected Return on Plan Assets (Continued)

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

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

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

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

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 long-term bond rate of 2.75%. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2019. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax exempt securities.). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that Plan members contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current Plan members.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7 PENSION PLANS (CONTINUED)

WRS Pension Plan Description (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 7.0%, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% Decrease to Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase to Discount Rate (8.0%)
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 80,436,732	\$ (31,235,398)	\$(114,723,159)

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>.

Payable to the Pension Plan

At June 30, 2020, the District reported a payable of \$2,221,161 for the outstanding amount of contributions to the pension plan for the year ended June 30, 2020.

Supplemental or Stipend Pension Plan

Pension Description

The Plan, previously disclosed as the supplemental pension obligation, a single-employer pension plan, is a defined benefit pension plan established to provide benefits after early retirement. The Plan is administered by the District.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7 PENSION PLANS (CONTINUED)

Supplemental or Stipend Pension Plan (Continued)

Benefits Provided

A summary of eligibility requirements and Plan benefits follows:

Pension	Eligibility Requirements		Benefit Duration	Plan Benefit
	Age	Service		
Teachers and Administrators	55	N/A	3 Years	Hired prior to July 1, 1992: 100% of the participant's final salary paid out in monthly installments.
Teachers and Administrators	55	15 Years	3 Years	Hired between July 1, 1992 and June 30, 2002: Compensation at 75% of participant's final annual salary paid out in monthly installments.
Teachers and Administrators	55	15 Years	3 Years	Hired between July 1, 2002 and June 30, 2008: Compensation at 50% of participant's final annual salary paid out in monthly installments.
Teachers and Administrators	55	15 Years	3 Years	Hired between July 1, 2008 and June 30, 2011: Compensation at 25% of participant's final annual salary paid out in monthly installments.

Employees Covered by Benefit Terms

As of the June 30, 2019 valuation, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries	
Currently Receiving Benefit Payments	141
Active Employees	<u>977</u>
Total	<u><u>1,118</u></u>

Funding Policy

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7 PENSION PLANS (CONTINUED)

Supplemental or Stipend Pension Plan (Continued)

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

	<u>Amount</u>
Total Pension Liability at June 30, 2019	\$ 30,611,089
Changes for the Year:	
Service Cost	1,308,161
Interest	1,047,016
Differences Between Expected and Actual Experience	(704,885)
Changes of Assumptions or Other Input	1,388,302
Benefit Payments	<u>(2,700,847)</u>
Net Changes	337,747
Total Pension Liability at June 30, 2020	<u><u>\$ 30,948,836</u></u>

For the year ended June 30, 2020, the District recognized pension expense of \$2,409,413.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 809,538
Changes in Assumptions	1,518,540	243,499
Total	<u><u>\$ 1,518,540</u></u>	<u><u>\$ 1,053,037</u></u>

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

<u>Year Ending June 30,</u>	<u>Expense</u>
2021	\$ 54,236
2022	54,236
2023	54,236
2024	54,236
2025	54,236
Thereafter	194,323
Total	<u><u>\$ 465,503</u></u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7 PENSION PLANS (CONTINUED)

Supplemental or Stipend Pension Plan (Continued)

Actuarial Assumptions

The District's total pension liability was measured as of June 30, 2020, and the total pension liability was determined by an actuarial valuation as of June 30, 2019, rolled forward to the measurement date of June 30, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date.

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

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

Single Discount Rate

A single discount rate of 2.25% was used to measure the total pension liability. This single discount rate was based on the Bond Buyer GO 20-Year AA Bond Index published by the Federal Reserve as of the week of the measurement date.

Sensitivity of the District's Total Pension Liability to Changes in the Discount Rate

The following presents the District's total pension liability at June 30, 2020, calculated using the discount rate of 2.25%, as well as what the District's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25%) or 1-percentage-point higher (3.25%) than the current rate.

	1% Decrease to Discount Rate <u>(1.25%)</u>	Current Discount Rate <u>(2.25%)</u>	1% Increase to Discount Rate <u>(3.25%)</u>
Total Pension Liability	\$ 32,274,266	\$ 30,948,836	\$ 29,631,915

The sensitivity of the District's total pension liability was determined based on the actuarial date while the total pension liability of \$30,948,836 was based on the District's fiscal year ended June 30, 2020, as rolled forward by the District's actuary.

Payable to the Supplemental Pension Plan

At June 30, 2020, the District reported no amount for the outstanding amount of contributions to the Plan required for the year ended June 30, 2020.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The Plan is a single-employer defined benefit postemployment health plan that covers retired employees of the District until they die or opt out of the coverage. Eligible retired employees have access to group medical coverage through the District's group plan. All employees of the District are eligible for the Plan if they meet the following age and service requirements below. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The Plan does not issue separate financial statements.

Benefits Provided

The benefit is the difference in the individual premium cost and what the cost would be for each active employee if the retirees were not a part of the group plan. This represents an implicit rate subsidy that the District pays to allow the retirees to be in the group plan.

Employees Covered by Benefit Terms

As of the June 30, 2019 valuation, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries	
Currently Receiving Benefit Payments	167
Active Employees	2,484
Total	<u><u>2,651</u></u>

Total OPEB Liability

The District's total OPEB liability was measured as of June 30, 2020, and was determined by an actuarial valuation as of June 30, 2019, rolled forward to the measurement date of June 30, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date.

Actuarial Assumptions

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

Inflation:	2.00%
Salary Increases:	Ranges from 0.1% to 5.6% Depending on Years of Service Plus 3% Inflation
Discount Rate:	2.25%
Healthcare Cost Trend Rates:	7.50% Decreasing by 0.50% per Year Down to 6.50%, then by 0.10% per Year Down to 5.0% and Level Thereafter

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions (Continued)

Mortality rates are the same as those used in the Wisconsin 2018 Mortality Table adjusted for future mortality improvements using the MP-2018 fully generated improvement scale (multiplied 60%).

The actuarial assumptions used in the June 30, 2019 valuation were based on an experience study conducted in 2018 using Wisconsin Retirement System (WRS) experience from 2015-17.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.25%. The discount rate is based upon the Bond Buyer 20-year Bond GO Index as of the measurement date.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2019	\$ 27,994,046
Changes for the Year:	
Service Cost	2,267,349
Interest	1,016,149
Differences Between Expected and Actual Experience	(3,262,780)
Changes of Assumptions or Other Input	1,317,895
Benefit Payments	(189,775)
Net Changes	1,148,838
Balance at June 30, 2020	\$ 29,142,884

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

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

	1% Decrease to Discount Rate (1.25%)	Current Discount Rate (2.25%)	1% Increase to Discount Rate (3.25%)
Total OPEB Liability	\$ 31,203,668	\$ 29,142,884	\$ 27,188,089

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.5% decreasing to 4.0%) or 1-percentage-point higher (8.5% decreasing to 6.0%) than the current healthcare cost trend rates:

	1% Decrease (6.5% Decreasing to 4.0%)	Healthcare Cost Trend Rates (7.5% Decreasing to 5.0%)	1% Increase (8.5% Decreasing to 6.0%)
Total OPEB Liability	\$ 25,800,248	\$ 29,142,884	\$ 33,100,266

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the District recognized OPEB expense of \$3,133,612. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 2,936,502
Changes in Assumptions	1,587,523	-
Total	<u>\$ 1,587,523</u>	<u>\$ 2,936,502</u>

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

<u>Year Ending June 30,</u>	<u>Expense</u>
2021	\$ (149,886)
2022	(149,886)
2023	(149,886)
2024	(149,886)
2025	(149,886)
Thereafter	(599,549)
Total	<u>\$ (1,348,979)</u>

Payable to the OPEB Plan

At June 30, 2020, the District reported no amount owing for the outstanding amount of contribution to the Plan required for the year ended June 30, 2020.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9 FUND EQUITY

Nonspendable Fund Balance

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

	General	Nonmajor
Nonspendable:		
Inventories and Prepaid Items	\$ 347,374	\$ 478,085

Restricted Fund Balance

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

Special Revenue Funds:	
Restricted for:	
Donor Intentions	\$ 1,919,063
Scholarships	253,018
Community Service	2,164,204
Food Service	2,928,981
Total Special Revenue Funds	
Restricted Fund Balance	7,265,266
Debt Service Funds:	
Restricted for:	
Nonreferendum Debt Payments	4,501,745
Referendum Debt Payments	4,097,670
Total Debt Service Funds Restricted Fund Balance	8,599,415
Capital Projects Fund:	
Restricted for:	
Future Capital Projects	6,603,306
Total Restricted Fund Balance	\$ 22,467,987

Assigned Fund Balance

Portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At June 30, 2020, fund balance was assigned as follows:

General Fund:	
Assigned for:	
Self-Insurance Health and Dental Claims	\$ 13,000,000

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9 FUND EQUITY (CONTINUED)

Minimum General Fund Balance Policy

The District has also adopted a minimum unrestricted (committed, assigned, and unassigned) fund balance policy of 15% of expenditures for the General Fund. The minimum fund balance is maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

Budgeted 2020 - 21 General Fund Expenditures	\$ 308,794,705
Minimum Fund Balance Percentage	(x) 15%
Minimum Fund Balance Amount	<u>\$ 46,319,206</u>

The District's committed, assigned and unassigned general fund balance of \$60,135,394 is above the minimum fund balance amount.

Net Position

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

Governmental Activities:

Restricted for:

Donor Intentions	\$ 1,919,063
Scholarships	253,018
Community Services	2,164,204
Food Services	2,928,981
Net Pension Asset	31,235,398
Future Capital Projects	3,000,005
Debt Service	<u>8,279,773</u>
Total Restricted Net Position	<u>\$ 49,780,442</u>

NOTE 10 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The District completes an annual review of its insurance coverage to ensure adequate coverage. The District has chosen to retain a portion of the risks through a self-insurance program as follows:

The District has established a self-funded health and dental benefit plan for its employees. The Plan administrators, Arise and Humana, are responsible for the approval, processing and payment of claims, after which they bill the District for reimbursement. The District is responsible for a monthly administrative fee. The Plan reports on a fiscal year ended June 30. Accounting and budgeting requirements for the Plan are established by the Wisconsin Department of Public Instruction. The Plan is accounted for in the general fund of the District.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 10 RISK MANAGEMENT (CONTINUED)

As part of the health care coverage of the Plan, the District purchases stop-loss coverage which pays claims in excess of \$525,000 per individual for healthcare coverage. Settled claims have not exceeded the stop-loss coverage in any of the past three years. The District has no stop-loss coverage for dental care coverage of the Plan.

At June 30, 2020, the District reported a liability of \$5,172,018 which represents reported and unreported claims which were incurred on or before June 30, 2020, but were not paid by the District as of that date. The amounts not reported to the District were estimated using data provided by the Plan administrators.

Changes in the program's claim liability amount for the year ended June 30, 2020 with comparative totals for the prior year follows:

	Liability July 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability June 30
2020	\$ 7,619,565	\$ 46,166,700	\$ 48,614,247	\$ 5,172,018
2019	6,991,537	50,152,441	49,524,413	7,619,565

In March 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the District, COVID-19 will continue to have an impact on parts of its 2021 operations as there has been an increased emphasis on remote learning and the need to purchase equipment needed for the remote learning such as Chromebooks and also purchase personal protective equipment for students and staff for use when in District buildings. The District is reliant on the state government for a significant proportion of its revenues through intergovernmental grants. As the state is dealing with increased costs associated with the pandemic, there may be changes to future funding levels for the District once the state's budget is approved. Management believes the District is taking appropriate actions to mitigate negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as events associated with the pandemic continue to develop.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 11 CONTINGENCIES

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

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

NOTE 12 LIMITATION ON SCHOOL DISTRICT REVENUES

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

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

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

NOTE 13 UPCOMING ACCOUNTING PRONOUNCEMENTS

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

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

REQUIRED SUPPLEMENTARY INFORMATION

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL — GENERAL FUND — BUDGETARY BASIS
YEAR ENDED JUNE 30, 2020**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Property Taxes	\$ 74,161,472	\$ 74,161,472	\$ 74,161,472	\$ -
Other Local Sources	2,007,672	2,007,672	1,848,059	(159,613)
Interdistrict Sources	3,732,011	3,732,011	3,699,412	(32,599)
Intermediate Sources	1,366	1,366	1,366	-
State Sources	185,991,726	186,346,463	186,222,509	(123,954)
Federal Sources	12,712,920	13,128,057	11,423,129	(1,704,928)
Other Sources	126,276	126,276	268,997	142,721
Total Revenues	<u>278,733,443</u>	<u>279,503,317</u>	<u>277,624,944</u>	<u>(1,878,373)</u>
EXPENDITURES				
Instruction:				
Regular Instruction	93,065,486	91,313,251	83,371,414	7,941,837
Vocational Instruction	5,994,561	5,993,061	5,891,266	101,795
Other Instruction	28,451,140	28,055,799	25,144,300	2,911,499
Total Instruction	<u>127,511,187</u>	<u>125,362,111</u>	<u>114,406,980</u>	<u>10,955,131</u>
Support Services:				
Pupil Services	13,796,789	13,766,003	12,742,631	1,023,372
Instructional Staff Services	13,660,554	14,799,876	14,110,610	689,266
General Administration Services	4,702,783	4,704,664	4,595,277	109,387
School Administration Services	15,657,986	15,666,124	15,363,398	302,726
Business Services	2,637,972	2,676,413	2,578,984	97,429
Operations and Maintenance of Plant	23,744,255	23,719,295	25,766,837	(2,047,542)
Pupil Transportation Services	7,095,338	7,127,066	6,048,366	1,078,700
Central Services	2,489,016	2,545,810	1,930,876	614,934
Insurance	929,848	929,848	790,756	139,092
Other Support Services	7,231,380	8,733,083	8,624,878	108,205
Total Support Services	<u>91,945,921</u>	<u>94,668,182</u>	<u>92,552,613</u>	<u>2,115,569</u>
Debt Service:				
Interest and Fiscal Charges	4,300	4,300	4,150	150
Total Debt Service	<u>4,300</u>	<u>4,300</u>	<u>4,150</u>	<u>150</u>
Nonprogram:				
General Tuition Payments	17,814,758	17,882,048	17,749,726	132,322
Adjustments and Refunds	90,000	90,000	81,417	8,583
Voucher Payments	6,655,609	6,655,609	6,432,317	223,292
Total Nonprogram	<u>24,560,367</u>	<u>24,627,657</u>	<u>24,263,460</u>	<u>364,197</u>
Total Expenditures	<u>244,021,775</u>	<u>244,662,250</u>	<u>231,227,203</u>	<u>13,435,047</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>34,711,668</u>	<u>34,841,067</u>	<u>46,397,741</u>	<u>11,556,674</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Capital Assets	30,000	30,000	148,676	118,676
Transfers In	319,386	319,386	36,081	(283,305)
Transfers Out	(35,061,054)	(35,190,453)	(35,444,552)	(254,099)
Total Other Financing Sources (Uses)	<u>(34,711,668)</u>	<u>(34,841,067)</u>	<u>(35,259,795)</u>	<u>(418,728)</u>
NET CHANGE IN FUND BALANCE	-	-	11,137,946	11,137,946
Fund Balance - Beginning of Year	<u>49,344,822</u>	<u>49,344,822</u>	<u>49,344,822</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 49,344,822</u>	<u>\$ 49,344,822</u>	<u>\$ 60,482,768</u>	<u>\$ 11,137,946</u>

See accompanying Notes to Required Supplementary Information.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL — SPECIAL EDUCATION FUND — BUDGETARY BASIS
YEAR ENDED JUNE 30, 2020**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Other Local Sources	\$ -	\$ -	\$ 1,646	\$ 1,646
Interdistrict Sources	207,093	207,093	214,519	7,426
State Sources	11,498,598	11,493,140	11,068,276	(424,864)
Federal Sources	5,499,504	7,495,278	4,122,645	(3,372,633)
Total Revenues	<u>17,205,195</u>	<u>19,195,511</u>	<u>15,407,086</u>	<u>(3,788,425)</u>
EXPENDITURES				
Instruction:				
Regular Instruction	40,951	40,951	-	40,951
Vocational Instruction	2,240	-	-	-
Special Education Instruction	38,121,802	39,834,278	35,069,888	4,764,390
Other Instruction	7,171	7,171	2,359	4,812
Total Instruction	<u>38,172,164</u>	<u>39,882,400</u>	<u>35,072,247</u>	<u>4,810,153</u>
Support Services:				
Pupil Services	6,886,837	6,989,605	6,500,058	489,547
Instructional Staff Services	1,734,647	1,905,515	1,612,355	293,160
Operations and Maintenance of Plant	8,300	8,300	5,445	2,855
Pupil Transportation Services	4,124,878	4,125,878	2,610,924	1,514,954
Central Services	14,000	17,440	7,735	9,705
Other Support Services	485,816	615,215	639,453	(24,238)
Total Support Services	<u>13,254,478</u>	<u>13,661,953</u>	<u>11,375,970</u>	<u>2,285,983</u>
Nonprogram:				
Special Education Tuition Payments	605,000	605,000	553,083	51,917
Revenue Transits to Others	60,000	60,000	15,294	44,706
Total Nonprogram	<u>665,000</u>	<u>665,000</u>	<u>568,377</u>	<u>96,623</u>
Total Expenditures	<u>52,091,642</u>	<u>54,209,353</u>	<u>47,016,594</u>	<u>7,192,759</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(34,886,447)	(35,013,842)	(31,609,508)	3,404,334
OTHER FINANCING SOURCES (USES)				
Transfers In	35,061,054	35,190,453	31,645,589	(3,544,864)
Transfers Out	(174,607)	(176,611)	(36,081)	140,530
Total Other Financing Sources (Uses)	<u>34,886,447</u>	<u>35,013,842</u>	<u>31,609,508</u>	<u>(3,404,334)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Required Supplementary Information.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS***

	<u>2020</u>	<u>2019</u>	<u>2018</u>
TOTAL OPEB LIABILITY			
Service Cost	\$ 2,267,349	\$ 2,188,633	\$ 2,188,633
Interest	1,016,149	977,483	904,415
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(3,262,780)	-	-
Changes of Assumptions	1,317,895	490,622	-
Benefit Payments	<u>(189,775)</u>	<u>(1,269,185)</u>	<u>(1,019,920)</u>
Net Change in Total OPEB Liability	1,148,838	2,387,553	2,073,128
Total OPEB Liability - Beginning of Year	<u>27,994,046</u>	<u>25,606,493</u>	<u>23,533,365</u>
TOTAL OPEB LIABILITY - END OF YEAR	<u><u>\$ 29,142,884</u></u>	<u><u>\$ 27,994,046</u></u>	<u><u>\$ 25,606,493</u></u>
Covered-Employee Payroll	<u><u>\$ 153,420,983</u></u>	<u><u>\$ 144,802,792</u></u>	<u><u>\$ 144,802,792</u></u>
District's Total OPEB Liability as a Percentage of Covered-Employee Payroll	19.00 %	19.33 %	17.68 %

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
WISCONSIN RETIREMENT SYSTEM
LAST 10 FISCAL YEARS**

Plan Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.95790000 %	\$ (23,529,492)	\$ 136,779,918	17.20 %	102.74 %
12/31/15	0.97477864	15,839,964	140,793,751	11.25	98.20
12/31/16	0.98757898	8,140,009	143,833,905	5.66	99.12
12/31/17	0.98839207	(29,346,533)	145,480,201	20.17	102.93
12/31/18	0.98272693	34,962,343	149,799,872	23.34	96.45
12/31/19	0.96870273	(31,235,398)	152,495,981	20.48	102.96

**SCHEDULE OF CONTRIBUTIONS
WISCONSIN RETIREMENT SYSTEM
LAST 10 FISCAL YEARS**

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/15	\$ 9,597,587	\$ 9,597,587	\$ -	\$ 139,391,099	6.89 %
6/30/16	9,622,848	9,622,848	-	143,954,495	6.68
6/30/17	9,782,862	9,782,862	-	145,654,318	6.72
6/30/18	9,929,637	9,929,637	-	147,298,405	6.74
6/30/19	10,459,586	10,459,586	-	158,090,919	6.62
6/30/20	10,382,152	10,382,152	-	155,710,517	6.67

See accompanying Notes to Required Supplementary Information.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY AND RELATED RATIOS
SUPPLEMENTAL PENSION PLAN
LAST 10 FISCAL YEARS***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Pension Liability:				
Service Cost	\$ 1,308,161	\$ 1,258,208	\$ 1,261,705	\$ 1,282,811
Interest	1,047,016	1,112,568	908,852	921,977
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	(704,885)	-	(251,590)	-
Changes in Assumptions	1,388,302	347,716	(334,813)	-
Benefit Payments	<u>(2,700,847)</u>	<u>(2,293,575)</u>	<u>(2,124,389)</u>	<u>(2,025,039)</u>
Net Change in Total Pension Liability	337,747	424,917	(540,235)	179,749
Total Pension Liability - Beginning	<u>30,611,089</u>	<u>30,186,172</u>	<u>30,726,407</u>	<u>30,546,658</u>
Total Pension Liability - Ending	<u>\$ 30,948,836</u>	<u>\$ 30,611,089</u>	<u>\$ 30,186,172</u>	<u>\$ 30,726,407</u>
Covered-Employee Payroll	<u>\$ 65,278,491</u>	<u>\$ 70,504,676</u>	<u>\$ 70,504,676</u>	<u>\$ 72,568,274</u>
District's Total Pension Liability as a Percentage of Covered-Employee Payroll	47.41 %	43.42 %	42.81 %	42.34 %

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020**

NOTE 1 WISCONSIN RETIREMENT SYSTEM

Changes of Benefit Terms

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

Changes of Assumptions

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

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

NOTE 2 SUPPLEMENTAL PENSION

Changes of Benefit Terms

There were no changes of benefit terms.

Changes of Assumptions

The actuarial assumption used to develop Total Pension Liability that changed in the valuation as of June 30, 2019 included updated WRS decrement assumptions and assumed discount rate.

No assets are accumulated in a trust to provide for future benefits.

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

NOTE 3 OTHER POSTEMPLOYMENT BENEFITS

Changes of Benefit Terms

There were no changes of benefit terms.

Changes of Assumptions

The actuarial assumption used to develop Total OPEB Liability that changed in the valuation as of June 30, 2019 included updated WRS decrement assumptions and assumed discount rate.

No assets are accumulated in a trust to provide for future benefits.

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020**

NOTE 4 BUDGETS AND BUDGETARY ACCOUNTING

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

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

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

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020**

NOTE 4 BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Budgetary Information

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

	<u>General</u>	<u>Special Education Fund</u>
Revenues:		
Actual Amounts (Budgetary Basis)	\$ 277,624,944	\$ 15,407,086
Reclassification of Special Education	<u>15,407,086</u>	<u>(15,407,086)</u>
Total Revenues	293,032,030	-
Expenditures:		
Actual Amounts (Budgetary Basis)	231,227,203	47,016,594
Reclassification of Special Education	<u>47,016,594</u>	<u>(47,016,594)</u>
Total Expenditures	<u>278,243,797</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures:		
Actual Amounts (Budgetary Basis)	46,397,741	(31,609,508)
Reclassification of Special Education	<u>(31,609,508)</u>	<u>31,609,508</u>
Excess of Revenues Over (Under) Expenditures	14,788,233	-
Other Financing Sources (Uses):		
Actual Amounts (Budgetary Basis)	(35,259,795)	31,609,508
Reclassification of Special Education	<u>31,609,508</u>	<u>(31,609,508)</u>
Total Other Financing Sources (Uses)	<u>(3,650,287)</u>	<u>-</u>
Net Change in Fund Balance:		
Actual Amounts (Budgetary Basis)	11,137,946	-
Fund Balance - July 1		
Actual Amounts (Budgetary Basis)	<u>49,344,822</u>	<u>-</u>
Fund Balance - June 30		
Actual Amounts (Budgetary Basis)	<u><u>\$ 60,482,768</u></u>	<u><u>\$ -</u></u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020**

NOTE 4 BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Excess of Expenditures Over Budget Appropriations

The following expenditure account of the governmental funds had actual expenditures in excess of budget appropriations for the year ended June 30, 2020 as follows:

Funds	Excess Expenditures
General Fund:	
Support Services:	
Operations and Maintenance of Plant	\$ 2,047,542
Special Education Fund:	
Support Services:	
Other Support Services	\$ 24,238

The excess expenditures were funded with available appropriations from other functional areas of the general fund.

SUPPLEMENTARY INFORMATION

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Special Revenue			
	Donations	Scholarships	Community Service	Indian Education
ASSETS				
Cash and Investments	\$ 1,938,508	\$ 253,018	\$ 2,851,091	\$ -
Receivables:				
Accounts	5,219	-	198	-
Due from Other Governments	-	-	-	67,010
Inventories and Prepaid Items	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 1,943,727</u>	<u>\$ 253,018</u>	<u>\$ 2,851,289</u>	<u>\$ 67,010</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 24,664	\$ -	\$ 687,085	\$ -
Due to Other Funds	-	-	-	67,010
Due to Other Governments	-	-	-	-
Total Liabilities	<u>24,664</u>	<u>-</u>	<u>687,085</u>	<u>67,010</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	1,919,063	253,018	2,164,204	-
Total Fund Balances	<u>1,919,063</u>	<u>253,018</u>	<u>2,164,204</u>	<u>-</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 1,943,727</u>	<u>\$ 253,018</u>	<u>\$ 2,851,289</u>	<u>\$ 67,010</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

Special Revenue		Debt Service		Total
Headstart	Food Service	Non-Referendum Debt Service	Referendum Debt Service	Nonmajor Governmental Funds
\$ 98,289	\$ 2,486,190	\$ 4,501,745	\$ 4,097,670	\$ 16,226,511
-	146,202	-	-	151,619
1,021,686	364,483	-	-	1,453,179
-	478,085	-	-	478,085
<u>\$ 1,119,975</u>	<u>\$ 3,474,960</u>	<u>\$ 4,501,745</u>	<u>\$ 4,097,670</u>	<u>\$ 18,309,394</u>
\$ 2,298	\$ 57,207	\$ -	\$ -	\$ 771,254
1,117,677	-	-	-	1,184,687
-	10,687	-	-	10,687
<u>1,119,975</u>	<u>67,894</u>	<u>-</u>	<u>-</u>	<u>1,966,628</u>
-	478,085	-	-	478,085
-	2,928,981	4,501,745	4,097,670	15,864,681
-	3,407,066	4,501,745	4,097,670	16,342,766
<u>\$ 1,119,975</u>	<u>\$ 3,474,960</u>	<u>\$ 4,501,745</u>	<u>\$ 4,097,670</u>	<u>\$ 18,309,394</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Special Revenue			
	Donations	Scholarships	Community Service	Indian Education
REVENUES				
Property Taxes	\$ -	\$ -	\$ 2,764,368	\$ -
Other Local Sources	1,662,702	54,687	3,100	-
State Sources	-	-	-	-
Federal Sources	-	-	-	194,235
Other Sources	-	-	-	-
Total Revenues	<u>1,662,702</u>	<u>54,687</u>	<u>2,767,468</u>	<u>194,235</u>
EXPENDITURES				
Instruction:				
Regular Instruction	36,229	-	539,399	-
Other Instruction	160,972	-	524,646	-
Total Instruction	<u>197,201</u>	<u>-</u>	<u>1,064,045</u>	<u>-</u>
Support Services:				
Pupil Services	-	-	-	194,235
Instructional Staff Services	39,207	-	-	-
General Administration Services	-	-	1,277,189	-
School Administration Services	869,009	-	-	-
Operations and Maintenance of Plant	-	-	-	-
Pupil Transportation Services	-	-	-	-
Food Services	-	-	-	-
Total Support Services	<u>908,216</u>	<u>-</u>	<u>1,277,189</u>	<u>194,235</u>
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Nonprogram:				
General Tuition Payments	-	-	24,679	-
Adjustments and Refunds	-	-	-	-
Trust Fund Disbursements	-	41,850	-	-
Total Nonprogram	<u>-</u>	<u>41,850</u>	<u>24,679</u>	<u>-</u>
Total Expenditures	<u>1,105,417</u>	<u>41,850</u>	<u>2,365,913</u>	<u>194,235</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	557,285	12,837	401,555	-
OTHER FINANCING SOURCES (USES)				
Long-Term Debt Issued	-	-	-	-
Payment to Advance Refunding Escrow Agent	-	-	-	-
Transfers In	210,168	-	-	-
Transfers Out	-	(210,168)	-	-
Total Other Financing Sources (Uses)	<u>210,168</u>	<u>(210,168)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	767,453	(197,331)	401,555	-
Fund Balances - Beginning of Year	<u>1,151,610</u>	<u>450,349</u>	<u>1,762,649</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,919,063</u>	<u>\$ 253,018</u>	<u>\$ 2,164,204</u>	<u>\$ -</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

Special Revenue		Debt Service		Total Nonmajor Governmental Funds
Headstart	Food Service	Nonreferendum Debt Service	Referendum Debt Service	
\$ -	\$ -	\$ -	\$ 15,900,000	\$ 18,664,368
-	1,289,103	-	831,822	3,841,414
-	174,117	-	-	174,117
3,534,099	8,828,302	-	-	12,556,636
-	42,843	-	861,930	904,773
<u>3,534,099</u>	<u>10,334,365</u>	<u>-</u>	<u>17,593,752</u>	<u>36,141,308</u>
2,281,532	-	-	-	2,857,160
-	-	-	-	685,618
<u>2,281,532</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,542,778</u>
879,987	-	-	-	1,074,222
-	-	-	-	39,207
-	-	-	-	1,277,189
-	-	-	-	869,009
102,819	-	-	-	102,819
269,761	-	-	-	269,761
-	10,938,374	-	-	10,938,374
<u>1,252,567</u>	<u>10,938,374</u>	<u>-</u>	<u>-</u>	<u>14,570,581</u>
-	-	2,195,000	14,675,000	16,870,000
-	-	126,022	2,676,226	2,802,248
<u>-</u>	<u>-</u>	<u>2,321,022</u>	<u>17,351,226</u>	<u>19,672,248</u>
-	-	-	-	24,679
-	23,619	-	-	23,619
-	-	-	-	41,850
<u>-</u>	<u>23,619</u>	<u>-</u>	<u>-</u>	<u>90,148</u>
<u>3,534,099</u>	<u>10,961,993</u>	<u>2,321,022</u>	<u>17,351,226</u>	<u>37,875,755</u>
-	(627,628)	(2,321,022)	242,526	(1,734,447)
-	-	-	40,090,000	40,090,000
-	-	-	(41,567,885)	(41,567,885)
-	798,958	-	-	1,009,126
-	-	-	-	(210,168)
<u>-</u>	<u>798,958</u>	<u>-</u>	<u>(1,477,885)</u>	<u>(678,927)</u>
-	171,330	(2,321,022)	(1,235,359)	(2,413,374)
<u>-</u>	<u>3,235,736</u>	<u>6,822,767</u>	<u>5,333,029</u>	<u>18,756,140</u>
<u>\$ -</u>	<u>\$ 3,407,066</u>	<u>\$ 4,501,745</u>	<u>\$ 4,097,670</u>	<u>\$ 16,342,766</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF CHARTER SCHOOL AUTHORIZER OPERATING COSTS
YEAR ENDED JUNE 30, 2020**

OPERATING ACTIVITY	<u>Object</u>	<u>Costs</u>
Employee Salaries	100	\$ 15,706
Employee Benefits	200	<u>5,736</u>
Total Operating Activity		<u><u>\$ 21,442</u></u>



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

Board of Education
Green Bay Area Public School District
Green Bay, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Green Bay Area Public School District, Green Bay, Wisconsin (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 27, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Wausau, Wisconsin
November 27, 2020



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

Board of Education
Green Bay Area Public School District
Green Bay, Wisconsin

Report on Compliance for Each Major Federal and State Program

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

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal and State Program

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2020-001 and 2020-002. Our opinion on each major federal program is not modified with respect to these matters.

Green Bay Area Public School District's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Green Bay Area Public School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

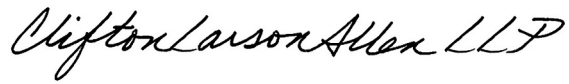
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2020-001, 2020-002, and 2020-003, that we consider to be significant deficiencies.

Board of Education
Green Bay Area Public School District

Green Bay Area Public School District's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Green Bay Area Public School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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



CliftonLarsonAllen LLP

Wausau, Wisconsin
November 27, 2020

FEDERAL AND STATE AWARDS

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020**

Grantor Agency/Federal Program Title	CFDA Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/19	Value or Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/20	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF AGRICULTURE								
Child Nutrition Cluster								
School Breakfast Program	10.553	WI DPI	2019-052289-SB-Severe-546	\$ (257,140)	\$ 257,140	\$ -	\$ -	\$ -
School Breakfast Program	10.553	WI DPI	2020-52289-DPI-SB-546	-	5,214	-	5,214	-
COVID 19 - School Breakfast Program	10.553	WI DPI	2020-52289-DPI-SB-546	-	284	-	284	-
School Breakfast Program	10.553	WI DPI	2020-52289-DPI-SB-SEVERE-546	-	1,250,861	-	1,250,861	-
COVID 19 - School Breakfast Program	10.553	WI DPI	2020-52289-DPI-SB-SEVERE-546	-	97,196	-	97,196	-
Total School Breakfast Program				(257,140)	1,610,695	-	1,353,555	-
National School Lunch Program	10.555	WI DPI	2019-052289-NSL-547	(853,313)	853,313	-	-	-
National School Lunch Program	10.555	WI DPI	2020-52289-DPI-NSL-547	-	3,935,026	-	3,935,026	-
COVID 19 - National School Lunch Program	10.555	WI DPI	2020-52289-DPI-NSL-547	-	297,930	-	297,930	-
National School Lunch Program	10.555	WI DPI	Unknown	-	740,795	-	740,795	-
Total National School Lunch Program				(853,313)	5,827,064	-	4,973,751	-
Special Milk Program for Children	10.556	WI DPI	2019-052289-SMP-548	(328)	328	-	-	-
Special Milk Program for Children	10.556	WI DPI	2020-52289-DPI-SMP-548	-	1,266	-	1,266	-
COVID 19 - Special Milk Program for Children	10.556	WI DPI	2020-52289-DPI-SMP-548	-	112	-	112	-
Total Special Milk Program for Children				(328)	1,706	-	1,378	-
Summer Food Service Program for Children	10.559	WI DPI	2019-052289-SFSP-586	(161,777)	161,777	-	-	-
Summer Food Service Program for Children	10.559	WI DPI	2020-52289-DPI-SFSP-566	-	263,714	-	263,714	-
COVID 19 - Summer Food Service Program for Children	10.559	WI DPI	2020-52289-DPI-SFSP-566	-	1,328,105	364,483	1,692,588	-
Total Summer Food Service Program for Children				(161,777)	1,753,596	364,483	1,956,302	-
Total Child Nutrition Cluster				(1,272,558)	9,193,061	364,483	8,284,986	-
Child and Adult Care Food Program	10.558	WI DPI	2019-052289-AR-551	(82,879)	82,879	-	-	-
Child and Adult Care Food Program	10.558	WI DPI	2020-52289-DPI-AR-566	-	527,724	-	527,724	-
Total Child and Adult Care Food Program				(82,879)	610,603	-	527,724	-
Team Nutrition Grants	10.574	WI DPI	2019-300657-17-TN Let's Plant Grant-552	(987)	987	-	-	-
Child Nutrition Discretionary Grants Limited Availability	10.579	WI DPI	2019-052289-Equip-531	-	15,593	-	15,593	-
Total U.S. Department of Agriculture				(1,356,424)	9,820,244	364,483	8,828,303	-
U.S. DEPARTMENT OF JUSTICE								
Juvenile Justice and Delinquency Prevention	16.540	City of Green Bay, Wisconsin	2017-JF-21-15105	(1,134)	1,134	-	-	-

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Grantor Agency/Federal Program Title	CFDA Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/19	Value or Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/20	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF TRANSPORTATION								
Highway Planning and Construction Cluster								
Highway Planning and Construction	20.205	WI DOT	1009-01-08	\$ (49,590)	\$ 49,590	\$ -	\$ -	\$ -
U.S. DEPARTMENT OF EDUCATION								
Indian Education Grants to Local Educational Agencies	84.060	Direct Program	N/A	(45,038)	45,038	-	-	-
Indian Education Grants to Local Educational Agencies	84.060	Direct Program	N/A	-	127,225	67,010	194,235	-
Total Indian Education Grants to Local Educational Agencies				(45,038)	172,263	67,010	194,235	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2019-052289-TI-Delinquent-140	(69,004)	69,004	-	-	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2020-052289-TI-D Delin-140	-	65,206	94,934	160,140	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2019-052289-TIA-141	(1,972,853)	1,972,853	-	-	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2020-052289-TIA-141	-	3,281,319	2,258,859	5,540,178	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2019-052289-CSIP-145	(5,814)	5,814	-	-	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2020-052289-CSIP-145	-	78,592	-	78,592	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2020-052289-CSI-148	-	76,097	33,087	109,184	-
Total Title I Grants to Local Educational Agencies				(2,047,671)	5,548,885	2,386,880	5,888,094	-
Special Education Cluster (IDEA)								
Special Education Grants to States	84.027	WI DPI	2019-052289-IDEA-FT-341	(1,366,911)	1,366,911	-	-	-
Special Education Grants to States	84.027	WI DPI	2020-052289-DPI-IDEA-F-341	-	2,719,075	1,004,969	3,724,044	-
Special Education Grants to States	84.027	WI DPI	2019-052289-UDL SU - 342	(10,000)	10,000	-	-	-
Special Education Grants to States	84.027	WI DPI	2020-052289-DPI-UDLSUP-342	-	9,406	594	10,000	-
Total Special Education Grants to States				(1,376,911)	4,105,392	1,005,563	3,734,044	-
Special Education Preschool Grants	84.173	WI DPI	2019-052289-IDEA-PS-347	(129,483)	129,483	-	-	-
Special Education Preschool Grants	84.173	WI DPI	2020-052289-DPI-IDEA-P-347	-	88,597	62,989	151,586	-
Total Special Education Preschool Grants				(129,483)	218,080	62,989	151,586	-
Total Special Education Cluster (IDEA)				(1,506,394)	4,323,472	1,068,552	3,885,630	-

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Grantor Agency/Federal Program Title	CFDA Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/19	Value or Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/20	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF EDUCATION (CONTINUED)								
Career and Technical Education - Basic Grants to States	84.048	WI DPI	2019-052289-CTE-400	\$ (121,200)	\$ 121,200	\$ -	\$ -	\$ -
Career and Technical Education - Basic Grants to States	84.048	WI DPI	2020-052289-CTE-400	-	37,119	169,015	206,134	-
Total Career and Technical Education - Basic Grants to States				(121,200)	158,319	169,015	206,134	-
Education for Homeless Children and Youth	84.196	WI DPI	2019-052289-Education for Homeless Children and Youth-335	(21,120)	21,120	-	-	-
Education for Homeless Children and Youth	84.196	WI DPI	2020-052289-DPI-EHCY-335	-	19,998	41,814	61,812	-
Total Education for Homeless Children and Youth				(21,120)	41,118	41,814	61,812	-
Twenty-First Century Community Learning Centers	84.287	WI DPI	2019-052289-21st Century CLC-367	(404,318)	404,318	-	-	-
Twenty-First Century Community Learning Centers	84.287	WI DPI	2020-052289-CLC DPI-367	-	57,019	778,058	835,077	523,381
Total Twenty-First Century Community Learning Centers				(404,318)	461,337	778,058	835,077	523,381
English Language Acquisition State Grants	84.365	WI DPI	2020-052289-DPI-T3 -391	(345,013)	345,013	502,171	502,171	-
English Language Acquisition State Grants	84.365	WI DPI	2020-052289-DPI-T3-Imm-371	-	-	19,109	19,109	-
Total English Language Acquisition State Grants				(345,013)	345,013	521,280	521,280	-
Improving Teacher Quality State Grants	84.367	WI DPI	2019-052289-TIIA-365	(235,105)	235,105	-	-	-
Improving Teacher Quality State Grants	84.367	WI DPI	2020-052289-TIIA-365	-	543,991	247,005	790,996	-
Total Improving Teacher Quality State Grants				(235,105)	779,096	247,005	790,996	-
School Improvement Grants	84.377	WI DPI	2019-052289-SIG-151	(16,848)	16,848	-	-	-

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Grantor Agency/Federal Program Title	CFDA Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/19	Value or Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/20	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF EDUCATION (CONTINUED)								
Student Support and Academic Enrichment Program	84.424	WI DPI	2019-052289-TIVA-381	\$ (114,425)	\$ 114,425	\$ -	\$ -	\$ -
Student Support and Academic Enrichment Program	84.424	WI DPI	2020-052289-TIVA - DPI-381	-	249,582	84,162	333,744	-
Total Student Support and Academic Enrichment Program				(114,425)	364,007	84,162	333,744	-
Disaster Recovery Assistance for Education	84.938	WI DPI	2020-052289-EIA-374	-	30,656	-	30,656	-
Disaster Recovery Assistance for Education	84.938	WI DPI	2020-052289-EIA-373	-	8,181	-	8,181	-
Total Disaster Recovery Assistance for Education				-	38,837	-	38,837	-
Total U.S. Department of Education				(4,857,132)	12,249,195	5,363,776	12,755,839	523,381
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES								
Pregnancy Assistance Fund Program	93.500	WI DPI	2019-052289-Refugee-533	(71,939)	71,939	-	-	-
Pregnancy Assistance Fund Program	93.500	WI DPI	2020-052289-DPI-Inspir-591	-	75,183	64,491	139,674	-
Total Pregnancy Assistance Fund Program				(71,939)	147,122	64,491	139,674	-
Head Start	93.600	Direct Program	N/A	(1,026,393)	3,273,552	475,122	2,722,281	-
Head Start	93.600	Direct Program	N/A	(150,250)	160,720	22,700	33,170	-
Head Start	93.600	Direct Program	N/A	(10,139)	264,923	523,864	778,648	-
Total Head Start				(1,186,782)	3,699,195	1,021,686	3,534,099	-
Medicaid Cluster								
Medical Assistance Program	93.778	WI DHS	44200800	(2,672)	2,676,683	-	2,674,011	-
Total U.S. Department of Health and Human Services				(1,261,393)	6,523,000	1,086,177	6,347,784	-
TOTAL FEDERAL AWARDS				<u>\$ (7,525,673)</u>	<u>\$ 28,643,163</u>	<u>\$ 6,814,436</u>	<u>\$ 27,931,926</u>	<u>\$ 523,381</u>

Reconciliation to the Basic Financial Statements:

Federal Sources	\$ 28,102,410
Charter School Federal Grants not Required to be Included Above	(170,484)
Total Expenditures of Federal Awards	<u>\$ 27,931,926</u>

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED JUNE 30, 2020**

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number	(Accrued) Deferred Revenue 7/1/19	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/20	Total Expenditures	Subrecipient Payments
WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION								
Special Education and School Age Parents	255.101	Direct Program	052289-100	\$ -	\$ 10,761,951	\$ -	\$ 10,761,951	\$ -
Special Education and School Age Parents	255.101	Delavan-Darian School District	641380-100	(4,182)	4,182	-	-	-
Total Special Education and School Age Parents				(4,182)	10,766,133	-	10,761,951	-
State School Lunch Aid	255.102	Direct Program	052289-107	-	100,492	-	100,492	-
Common School Fund Library Aid	255.103	Direct Program	052289-104	-	1,246,857	-	1,246,857	-
Bilingual Bicultural Aid Lea	255.106	Direct Program	052289-111	-	1,133,479	-	1,133,479	-
General Transportation Aid	255.107	Direct Program	052289-102	-	269,479	-	269,479	-
WI School Day Milk Program	255.115	Direct Program	052289-109	-	9,735	-	9,735	-
Equalization Aids	255.201	Direct Program	052289-116	(2,617,232)	159,169,303	2,595,280	159,147,351	-
High Cost Special Education Aid	255.210	Direct Program	052289-119	-	214,325	-	214,325	-
Aid for School Mental Health Programs	255.227	Direct Program	052289-176	-	334,429	-	334,429	-
Supplemental Per Pupil Aid	255.245	Direct Program	052289-181	-	72,408	-	72,408	-
Special education transition readiness	255.257	Direct Program	052289-174	(27,000)	27,000	-	-	-
School Based Mental Health Services Grant	255.297	Direct Program	052289-177	(40,983)	51,518	31,084	41,619	-
Peer Review and Mentoring	255.301	Direct Program	052289-141	(21,875)	21,875	25,000	25,000	-
Alcohol and Other Drug Abuse	255.306	Direct Program	052289-143	(24,998)	34,269	15,720	24,991	-
AODA Program Grants	255.321	Direct Program	052289-142	(200)	200	-	-	-
Head Start Supplement	255.327	Direct Program	052289-145	(42,295)	111,859	44,319	113,883	-
State School Breakfast Aid	255.344	Direct Program	052289-108	-	63,890	-	63,890	-
Tribal Language Revitalization Grants	255.364	Direct Program	052289-155	-	-	6,892	6,892	-
Early College Credit Program	255.445	Direct Program	052289-178	-	4,024	-	4,024	-
Student Achievement Guarantee in Education (SAGE/AGR)	255.504	Direct Program	052289-160	-	4,035,791	-	4,035,791	-
Aid for High Poverty School District	255.926	Direct Program	052289-121	-	1,475,819	-	1,475,819	-
Educator Effective Evaluation System	255.940	Direct Program	052289-154	(150,160)	262,378	34,742	146,960	-
Per Pupil Aid	255.945	Direct Program	052289-113	-	16,004,940	-	16,004,940	-
Career and Technical Education Incentive Grants	255.950	Direct Program	052289-152	-	138,939	-	138,939	-
Assessments of Reading Readiness	255.956	Direct Program	052289-166	-	51,580	-	51,580	-
Robotics League Participation Grants	255.959	Direct Program	052289-167	(4,106)	4,756	3,517	4,167	-
Aid for Special Ed Transition Grant BBL	255.960	Direct Program	052289-168	-	92,000	-	92,000	-
Total Wisconsin Department of Public Instruction				(2,933,031)	195,697,478	2,756,554	195,521,001	-

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF EXPENDITURES OF STATE AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number	(Accrued) Deferred Revenue 7/1/19	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/20	Total Expenditures	Subrecipient Payments
WI DEPARTMENT OF JUSTICE								
School Safety Initiative	455.206	Direct Program	2018-SSI-01-13031	\$ (430,666)	\$ 480,997	\$ -	\$ 50,331	\$ -
School Safety Initiative	455.206	Direct Program	2018-SSI-01/02-14150	(335,261)	776,685	51,149	492,573	-
Total Wisconsin Department of Justice				(765,927)	1,257,681	51,149	542,904	-
WI DEPARTMENT OF WORKFORCE DEVELOPMENT								
Teacher Training and Development Grant	445.109	Direct Program	EF184TD20016	(38,728)	117,818	51,148	130,238	-
Total State Programs				\$ (3,737,686)	\$ 197,072,977	\$ 2,858,851	\$ 196,194,143	\$ -
Reconciliation to the Basic Financial Statements:								
							State Sources	\$ 197,464,902
							Less: State Sources Not Considered State Financial Assistance	
							State Tax Computer Aid	(733,904)
							State Personal Property Aid	(530,872)
							Payment in Lieu of Taxes and Other Revenues	(5,983)
							Total Expenditures of State Awards	<u>\$ 196,194,143</u>

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2020**

NOTE 1 BASIS OF PRESENTATION

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

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

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

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

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

NOTE 3 SPECIAL EDUCATION AND SCHOOL AGE PARENTS PROGRAM

The 2019 - 2020 eligible costs under the State Special Education Program as reported by the District are \$42,819,966. Compiled information required by compliance requirement 1-1 of the Special Education Audit Program was reported to the Wisconsin Department of Public Instruction.

NOTE 4 FOOD DISTRIBUTION

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2020**

NOTE 5 OVERSIGHT AGENCIES

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

Federal – U.S. Department of Health and Human Services
State – Wisconsin Department of Public Instruction

NOTE 6 PASS THROUGH ENTITIES

Federal awards have been passed through the following entities:

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

NOTE 7 DONATED SERVICES

The District receives an undeterminable amount of donated services from a variety of unpaid volunteers assisting the Head Start program. Therefore, no amounts have been recorded in the schedule of expenditures of federal awards.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Section I – Summary of Auditors’ Results

Financial Statements

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

Federal Awards

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

Identification of Major Federal Programs

CFDA Number(s)

Name of Federal Program or Cluster

84.027

Special Education Cluster

Special Education Grants to States

84.173

Special Education Preschool Grants

93.778

Medicaid Cluster

Medical Assistance

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

\$ 837,958

Auditee qualified as low-risk auditee?

 x yes _____ no

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Section I – Summary of Auditors’ Results (Continued)

State Financial Assistance

1. Internal control over state programs:

- Material weakness(es) identified? _____ yes x no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ yes x none reported

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

3. Any audit findings disclosed that are required to be reported in accordance with state requirements? _____ yes x no

Identification of Major State Programs

State ID Number(s)	Name of State Program
255.106	Bilingual Bicultural Aid LEA
255.201	Equalization Aids
255.227	Aid for School Mental Health Programs
255.504	Student Achievement Guarantee in Education (SAGE/AGR)
255.926	Aid for High Poverty School District

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal and State Programs

2020-001 Special Education Cluster (IDEA) Suspension and Debarment

Repeat Finding: No

Federal Agency: U.S. Department of Education

CFDA Number: 84.027, 84.173

Pass-Through Agency: Wisconsin Department of Public Instruction

Pass-Through Entity Identifying Number: 2020-052289-DPI-IDEA-F-341, 2020-052289-DPI-UDLSUP-342, 2020-052289-DPI-IDEA-P-347

Award period: July 1, 2019 – June 30, 2020

Type of Finding: Significant Deficiency in Internal Control Over Compliance

Compliance Requirements: Suspension and Debarment.

Condition: The District verifies suspension and debarment status when there is a new vendor but did not continue to verify there was no change in that status in subsequent years when the vendor was used again.

Criteria: Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. “Covered transactions” include contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220.

Context: Zero out of the six tested vendors did not have any review completed to ensure they were not suspended or debarred when initiating covered transactions in the current year.

Questioned Costs: None.

Cause: The District misunderstood how often the status should be verified.

Effect: The District could contract with a vendor that has been suspended or debarred from receiving federal funds.

Recommendation: We recommend the District use sam.gov or the ELPS listing to review clients at the beginning of the year or before a transaction is incurred in accordance with Uniform Guidance requirements.

Views of Responsible Officials: There is no disagreement with the audit finding.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Section III – Findings and Questioned Costs – Major Federal and State Programs Continued

2020-002 Special Education Cluster (IDEA) Period of Performance

Repeat Finding: No

Federal Agency: U.S. Department of Education

CFDA Number: 84.027, 84.173

Pass-Through Agency: Wisconsin Department of Public Instruction

Pass-Through Entity Identifying Number: 2020-052289-DPI-IDEA-F-341, 2020-052289-DPI-UDLSUP-342, 2020-052289-DPI-IDEA-P-347

Award period: July 1, 2019 – June 30, 2020

Type of Finding: Significant Deficiency in Internal Control Over Compliance

Compliance Requirements: Period of Performance.

Condition: The program heads review all grant transactions prior to approval. Four of 16 reimbursement requests and vendor payments claimed in the beginning of the grant period were incurred prior to the start of the granting period.

Criteria: Uniform Guidance requires costs not to be incurred prior to the start of the period of performance unless authorized by the federal awarding agency or the pass-through entity.

Context: Of the five tested of 16 beginning of period items, two transactions were actually incurred before the period of performance beginning date. We tested the remaining 11 transactions and found two more that were actually incurred before the period of performance beginning date.

Questioned Costs: \$849.

Cause: District personnel turned in reimbursement requests and invoices after the cut-off date.

Effect: Costs incurred prior to the start date of the granting period may be incorrectly claimed and reimbursed to the District.

Recommendation: We recommend the District implement procedures that specifically review transactions posted to grant expenditure accounts in the first month of a grant period to ensure those costs were incurred after the start of the granting period and reclassify any transactions found that didn't meet those requirements out of the grant expenditure accounts.

Views of Responsible Officials: There is no disagreement with the audit finding.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Section III – Findings and Questioned Costs – Major Federal and State Programs Continued

2020-003 Internal Controls Related to School Based Services

Repeat Finding: No

Federal Agency: U.S. Department of Health and Human Services

CFDA Number: 93.778

Pass-Through Agency: Wisconsin Department of Health Services

Pass-Through Entity Identifying Number: 44200800

Award period: July 1, 2019 – June 30, 2020

Type of Finding: Significant Deficiency in Internal Control Over Compliance

Condition: Two student files were missing signed parental consent to perform services forms as required by District policy.

Criteria: All School Based Services (Medicaid) provided to students must be identified in the IEP for that student and the IEP must be reviewed annually. A parent or guardian must consent to the services provided in writing. The District is required to design and implement internal controls ensuring these requirements are met.

Context: CLA selected 25 students with IEP's to test internal controls related to compliance related to School Based Services activities. Two of the 25 did not have signed parental consent to perform services forms prior to the services starting. An additional sample of 15 were selected and no exceptions were noted in that additional sample.

Questioned Costs: None.

Cause: District does not review and verify that all signatures are on file if they have had an IEP for a number of years.

Effect: The District may bill Medicaid for reimbursement for services provided that the District did not have consent by the parent or guardian to provide.

Recommendation: We recommend the District implement procedures to ensure parent or guardian signatures are obtained as required by District policy.

Views of Responsible Officials: There is no disagreement with the audit finding.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Section IV – Other Issues

1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? No
2. Does the audit report show audit issues (i.e. material noncompliance, nonmaterial noncompliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue, or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:
- a. Wisconsin Department of Health Services Yes
 - b. Wisconsin Department of Public Instruction Yes
 - c. Wisconsin Department of Justice No
 - d. Wisconsin Department of Workforce Development No
3. Was a management letter or other document conveying audit comments issued as a result of this audit? Yes



4. Name and signature of partner _____
Jon Trautman, CPA
5. Date of report November 27, 2020