

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

ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2022



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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 Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

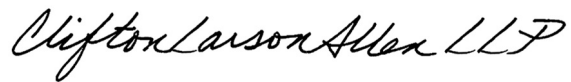
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information and the schedules relating to pensions and other postemployment benefits as listed in the table of contents be presented to supplement the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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining nonmajor governmental fund financial statements, the schedule of charter school authorizer costs, and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining nonmajor governmental fund financial statements, the schedule of charter school authorizer costs, and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Wausau, Wisconsin
December 7, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2022

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, 2022. 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 \$9.03 per \$1,000 of property value for fiscal year 2021-22.

Overview of the Financial Statements

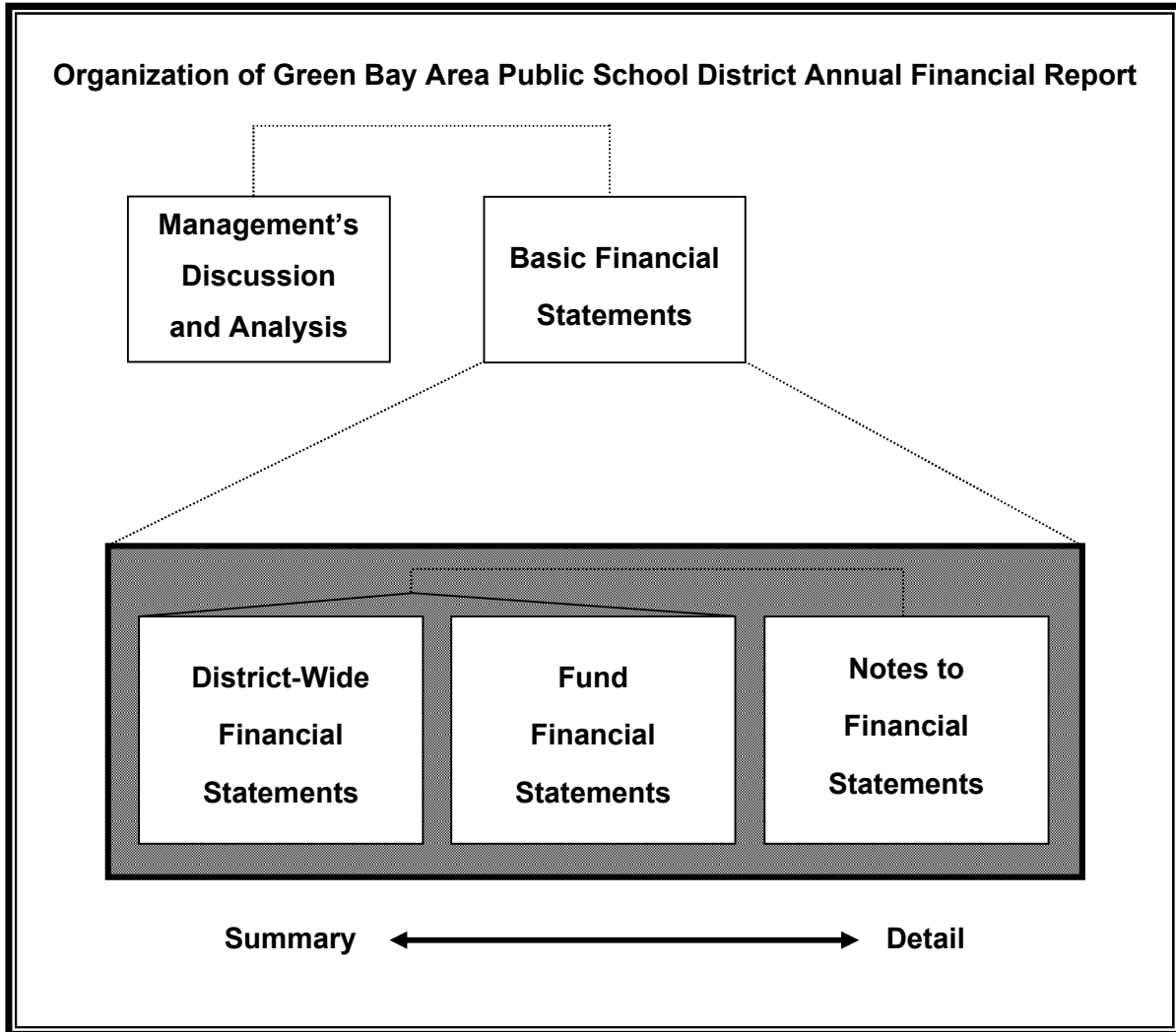
This annual report consists of three parts: management's discussion and analysis, the basic financial statements, and supplemental information. The basic financial statements include two types of statements that present different financial perspectives of the District:

- 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.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

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, 2022**

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 one type of fund:

- *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.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

Fund Financial Statements (Continued)

	District-Wide Statements	Governmental 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
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
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial 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
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

Net Position: The District's *combined* net position was more on June 30, 2022 compared to the prior year.

Figure A-1
Condensed Statement of Net Position (in millions of dollars)

	Governmental Activities		Percentage Change
	2022	2021	2021-22
Assets:			
Current Assets	\$ 185.3	\$ 169.5	9.3 %
Capital Assets	245.4	251.3	(2.3)
Total Assets	430.7	420.8	2.4
Deferred Outflows of Resources	147.5	98.6	49.6
Liabilities:			
Long-Term Obligations	56.2	104.8	(46.4)
Other Liabilities	19.7	19.8	(0.5)
Total Liabilities	75.9	124.6	(39.1)
Deferred Inflows of Resources	199.1	134.1	48.5
Net Position:			
Net Investment in Capital Assets	245.0	224.9	8.9
Restricted	97.1	78.3	24.0
Unrestricted	(38.9)	(42.5)	(8.5)
Total Net Position	\$ 303.2	\$ 260.7	16.3

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

Fund Financial Statements (Continued)

Changes in Net Position: The District's governmental activities net position increased by \$42.6 million (see Figure A-2). The District's increase in financial position is the product of many factors. Assets increased by \$9.9 million which was due to the increase of \$17.3 million in the net pension asset due to the Wisconsin Retirement System remaining over 100% funded which was offset by the decrease in net capital assets of \$6.3 million.

The District's total net position increased by \$42.4 million from total revenues of \$375.9 million (see Figure A-2). Property taxes and state formula aid accounted for most of the District's revenue, with each contributing about 26% and 52%, respectively. Another 22% came from federal and state aid for specific programs and local revenue sources.

The total cost of all programs and services was \$333.3 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 61.6% of the District's expenses, while the District's administration, transportation, maintenance, and business activities accounted for 25.4% of total costs. Interest on debt, community service, nonprogram and depreciation made up the remaining 13.0% of the total costs (see Figure A-3).

Figure A-2
Condensed Statement of Activities (in millions of dollars)

	Governmental Activities		Percentage Change
	2022	2021	2021-22
Revenues:			
Program Revenues:			
Charges for Services	\$ 5.0	\$ 4.2	19.0 %
Operating Grants and Contributions	80.2	65.1	23.2
General Revenues:			
Property Taxes	96.2	95.7	0.5
State Formula Aid	193.8	182.2	6.4
Other	0.7	0.5	40.0
Total Revenues	<u>375.9</u>	<u>347.7</u>	8.1
Expenses:			
Instruction	166.1	154.0	7.9
Support Services	123.9	107.6	15.1
Community Service	-	0.4	(100.0)
Nonprogram	30.0	27.6	8.7
Interest on Debt	0.9	1.5	(40.0)
Depreciation - Unallocated	12.4	11.9	4.2
Total Expenses	<u>333.3</u>	<u>303.0</u>	10.0
Increase in Net Position	42.6	44.7	(4.7)
Cumulative Change in Accounting Principle	<u>-</u>	<u>0.9</u>	100.0
Change in Net Position	<u>\$ 42.6</u>	<u>\$ 45.6</u>	(6.6)

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

Governmental Activities

Governmental activities increased the District's net position by \$42.6 million. Key elements of this increase are as follows:

- The District's expenditures decreased by \$30.3 million over the prior year. Of this, \$16.7 million was spent out of ESSER grant funds, including \$6 million for summer school, \$4.9 million for Technology needs, \$2.5 million on curriculum and \$1.5 million for additional staffing. The District's revenues also increased by \$28.2 million. The state equalization aid amount increased by \$8.1 million, a 4.9% increase from prior year. This increase in revenues also includes an amount of \$16.7 million from ESSER claims.

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.

Figure A-3
Net Cost of Governmental Activities (in millions of dollars)

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2022	2021	2021-22	2022	2021	2021-22
Instruction	\$ 166.1	\$ 154.0	7.9 %	\$ 122.3	\$ 117.0	4.5 %
Support Services:						
Pupil and Instructional Services	39.3	34.5	13.9	26.7	23.1	15.6
Administration and Business	28.1	25.9	8.5	22.9	23.3	(1.7)
Maintenance and Operations	21.7	19.2	13.0	20.8	16.6	25.3
Transportation	10.3	7.8	32.1	9.0	7.2	25.0
Other	24.5	20.2	21.3	6.3	7.9	(20.3)
Community Service	-	0.4	(100.0)	-	-	100.0
Nonprogram	30.0	27.6	8.7	26.8	25.2	6.3
Interest on Debt	0.9	1.5	(40.0)	0.9	1.5	(40.0)
Depreciation	12.4	11.9	4.2	12.4	11.9	4.2
Total	<u>\$ 333.3</u>	<u>\$ 303.0</u>	10.0	<u>\$ 248.1</u>	<u>\$ 233.7</u>	6.2

- The cost of all *governmental* activities this year was \$333.3 million.
- The users of the District's programs financed some of the cost. (1%)
- The federal and state governments subsidized certain programs with grants and contributions. (21%)
- The remaining portion of governmental activities was financed with \$96.0 million in property taxes, \$193.8 million of unrestricted state aid based on the statewide equalization aid formula, state categorical aids, and miscellaneous revenues.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

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 \$639,498. As the District completed the year, its governmental funds reported a combined fund balance of \$88.7 million, a decrease of \$1.7 million from the prior year. The decrease in fund balance is due to the completion of the 2016-17 capital referendum projects and the closing of Fund 40.

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 \$639,498.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of the 2021-22 fiscal year, the District had invested \$245.4 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 4. to the financial statements.) Total depreciation expense for the year was \$12.4 million. The decrease in total capital assets is mainly due to the increase in accumulated depreciation of approximately \$13 million. This was partially offset by the increase in Buildings and Site Improvements of approximately \$5 million comprised of building improvements such as roofs and asphalt.

	Governmental Activities		Total Percentage Change
	2022	2021	2021-22
Capital Assets			
Land	\$ 9.1	\$ 9.1	-
Site Improvements	11.1	10.2	8.8
Buildings	368.1	364.9	0.9
Machinery and Equipment	19.8	18.0	10.0
Less: Accumulated Depreciation	(163.1)	(150.9)	8.1
Right-to-Use Assets			
Equipment	0.5	-	100.0
Less: Accumulated Depreciation	(0.1)	-	100.0
Total	\$ 245.4	\$ 251.3	(2.3)

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Long-Term Debt

At year-end, the District had no general obligation debt and \$74.8 million in leases payable, compensated absences, unamortized debt premium, and retirement liabilities outstanding. (More detailed information about the District's long-term liabilities is presented in Notes 6-9 to the financial statements.)

	Governmental Activities		Total Percentage Change
	2022	2021	2021-22
General Obligation Debt	\$ -	\$ 30.0	(100.0)%
Other	56.2	74.8	(24.9)
Total	<u>\$ 56.2</u>	<u>\$ 104.8</u>	(46.4)

- The District holds an Aa2 rating from Moody's Investor Service.
- There was a large defeasance of principal in the amount of \$17.3 million which caused the decrease in general obligation debt.

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 six years, with the largest decrease being in September 2020 due to COVID, and will be closely followed as it will impact available financial resources in the future.
- The District has been awarded \$72 million in ESSER dollars to be spent out by 9/30/24. Of this, approximately \$20.6 million has been spent to help cover the costs associated with the pandemic including student learning loss, personal protective equipment, additional staffing, and technology. The remaining amount will be used to cover operational deficits in the budget due to no additional revenues from the state's biennial budget.
- The 21-23 state biennium budget provided \$0 increase in revenue for all school districts throughout the state. The 23-25 state biennium budget is scheduled to be released in the Spring of 2023.
- The District passed a capital referendum in November of 2022 in the amount of \$92.6 million to pay the cost of a school facility improvement project consisting of: district-wide safety, security, building infrastructure, athletic facility and site improvements.
- The District is undergoing a Facilities Master Plan study to identify future capital needs and potential cost reductions.
- The District contributed \$2.9 million to Fund 73 to begin addressing the OPEB liability.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

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
YEAR ENDED JUNE 30, 2022**

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 71,694,622
Receivables:	
Taxes	22,867,770
Accounts	683,759
Leases	77,129
Due from Other Governments	12,380,761
Inventories and Prepaid Items	731,041
Net Pension Asset	76,875,589
Capital Assets:	
Nondepreciable	9,096,796
Depreciable, Net	235,943,695
Right-to-Use, Net	326,492
Total Assets	<u>430,677,654</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension Related Amounts	146,301,668
Other Postemployment Related Amounts	1,234,739
Total Deferred Outflows of Resources	<u>147,536,407</u>
LIABILITIES	
Accounts Payable	5,778,224
Accrued and Other Current Liabilities	7,178,916
Accrued Interest Payable	116,388
Unearned Revenues	182,118
Health and Dental Claims Payable	6,496,841
Long-Term Obligations:	
Due in One Year	1,028,383
Due in More Than One Year	9,017,170
Other Postemployment Benefits Liability - Due In One Year	1,223,172
Other Postemployment Benefits Liability - Due In More Than One Year	20,984,964
Net Pension Liability	23,906,922
Total Liabilities	<u>75,913,098</u>
DEFERRED INFLOWS OF RESOURCES	
Pension Related Amounts	184,156,843
Other Postemployment Related Amounts	14,908,314
Lease Related Amounts	77,129
Total Deferred Inflows of Resources	<u>199,142,286</u>
NET POSITION	
Net Investment in Capital Assets	245,034,833
Restricted for:	
Donor Intentions	2,778,372
Student Activities	663,125
Scholarships	962,880
Capital Projects	2,971,671
Community Services	2,573,533
Food Services	5,615,759
Debt Service	4,327,259
Get Kids Ahead Mental Health Program	285,279
Net Pension Asset	76,875,589
Unrestricted	(38,929,623)
Total Net Position	<u>\$ 303,158,677</u>

See accompanying Notes to Basic Financial Statements.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
					2022
GOVERNMENTAL ACTIVITIES					
Instruction	\$ 166,137,252	\$ 4,491,444	\$ 39,359,478	\$ -	\$ (122,286,330)
Support Services	123,874,671	545,304	37,618,260	-	(85,711,107)
Nonprogram	30,033,467	-	3,244,404	-	(26,789,063)
Interest and Fiscal Charges	939,036	-	-	-	(939,036)
Depreciation - Unallocated	12,432,700	-	-	-	(12,432,700)
Total Governmental Activities	<u>\$ 333,417,126</u>	<u>\$ 5,036,748</u>	<u>\$ 80,222,142</u>	<u>\$ -</u>	(248,158,236)
GENERAL REVENUES					
Property Taxes					96,001,905
Other Taxes					165,794
State and Federal Aids Not Restricted to Specific Functions					193,831,386
Interest and Investment Earnings					346,113
Gain on Disposal of Capital Assets					60,019
Loss on Cash Defeasance of Debt					(903,084)
Miscellaneous					1,171,815
Total General Revenues					<u>290,673,948</u>
CHANGE IN NET POSITION					
					42,515,712
Net Position - Beginning of Year					<u>260,642,965</u>
NET POSITION - END OF YEAR					<u>\$ 303,158,677</u>

See accompanying Notes to Basic Financial Statements.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
BALANCE SHEET — GOVERNMENTAL FUNDS
JUNE 30, 2022**

	General	Other Governmental Funds	Totals
ASSETS			
Cash and Investments	\$ 51,118,442	\$ 20,576,180	\$ 71,694,622
Receivables:			
Taxes	22,867,770	-	22,867,770
Accounts	452,744	231,015	683,759
Leases	77,129	-	77,129
Due from Other Funds	1,321,113	-	1,321,113
Due from Other Governments	10,795,560	1,585,201	12,380,761
Inventories and Prepaid Items	287,521	443,520	731,041
	<u>\$ 86,920,279</u>	<u>\$ 22,835,916</u>	<u>\$ 109,756,195</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 4,898,046	\$ 880,178	\$ 5,778,224
Accrued and Other Current Liabilities	7,178,916	-	7,178,916
Due to Other Funds	-	1,321,113	1,321,113
Unearned Revenues	-	182,118	182,118
Health and Dental Claims Payable	6,496,841	-	6,496,841
Total Liabilities	<u>18,573,803</u>	<u>2,383,409</u>	<u>20,957,212</u>
 DEFERRED INFLOWS OF RESOURCES			
Lease Related Amounts	77,129	-	77,129
 FUND BALANCES			
Nonspendable	287,521	443,520	731,041
Restricted	285,279	20,008,987	20,294,266
Assigned	13,000,000	-	13,000,000
Unassigned	54,696,547	-	54,696,547
Total Fund Balances	<u>68,269,347</u>	<u>20,452,507</u>	<u>88,721,854</u>
	<u>\$ 86,920,279</u>	<u>\$ 22,835,916</u>	<u>\$ 109,756,195</u>
Total Liabilities Deferred Inflows of Resources, and Fund Balances	<u>\$ 86,920,279</u>	<u>\$ 22,835,916</u>	<u>\$ 109,756,195</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, 2022**

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balances as Shown on Previous Page	\$ 88,721,854
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.	245,040,491
Right-to-use assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	326,492
Long-term assets are not considered available; therefore, are not reported in the funds:	
Net Pension Asset	76,875,589
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.	
Deferred Outflows Related to Pensions	146,301,668
Deferred Inflows Related to Pensions	(184,156,843)
Deferred Outflows Related to Other Postemployment Benefits	1,234,739
Deferred Inflows Related to Other Postemployment Benefits	(14,908,314)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Leases Payable	(329,849)
Compensated Absences	(9,715,704)
Other Postemployment Benefits Liability	(22,208,136)
Net Pension Liability	(23,906,922)
Accrued Interest on Long-Term Obligations	<u>(116,388)</u>
Net Position of Governmental Activities as Reported on the Statement of Net Position	<u><u>\$ 303,158,677</u></u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES — GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022**

	General	Other Governmental Funds	Total
REVENUES			
Property Taxes	\$ 63,742,537	\$ 32,259,368	\$ 96,001,905
Other Local Sources	1,431,986	2,869,699	4,301,685
Interdistrict Sources	4,340,098	-	4,340,098
Intermediate Sources	9,861	-	9,861
State Sources	212,641,911	-	212,641,911
Federal Sources	39,961,383	18,347,245	58,308,628
Other Sources	1,169,294	2,521	1,171,815
Total Revenues	<u>323,297,070</u>	<u>53,478,833</u>	<u>376,775,903</u>
EXPENDITURES			
Instruction:			
Regular Instruction	99,741,897	3,197,408	102,939,305
Vocational Instruction	6,939,443	-	6,939,443
Special Education Instruction	38,852,359	-	38,852,359
Other Instruction	28,931,943	608,776	29,540,719
Total Instruction	<u>174,465,642</u>	<u>3,806,184</u>	<u>178,271,826</u>
Support Services:			
Pupil Services	23,852,946	1,827,697	25,680,643
Instructional Staff Services	19,846,919	73,143	19,920,062
General Administration Services	5,097,728	1,416,590	6,514,318
School Administration Services	17,233,350	1,761,081	18,994,431
Business Services	2,807,227	-	2,807,227
Operations and Maintenance of Plant	23,760,794	3,252,459	27,013,253
Pupil Transportation Services	9,947,553	294,233	10,241,786
Food Services	-	12,205,044	12,205,044
Central Services	3,987,990	-	3,987,990
Insurance	896,215	-	896,215
Other Support Services	10,967,395	-	10,967,395
Total Support Services	<u>118,398,117</u>	<u>20,830,247</u>	<u>139,228,364</u>
Debt Service:			
Principal	140,968	29,990,000	30,130,968
Interest and Fiscal Charges	11,703	882,901	894,604
Total Debt Service	<u>152,671</u>	<u>30,872,901</u>	<u>31,025,572</u>
Nonprogram:			
General Tuition Payments	20,424,475	-	20,424,475
Special Education Tuition Payments	520,802	-	520,802
Adjustments and Refunds	253,083	245,191	498,274
Voucher Payments	8,510,328	-	8,510,328
Revenue Transits to Others	10,088	-	10,088
Post-secondary scholarship expenditures	-	69,500	69,500
Total Nonprogram	<u>29,718,776</u>	<u>314,691</u>	<u>30,033,467</u>
Total Expenditures	<u>322,735,206</u>	<u>55,824,023</u>	<u>378,559,229</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	561,864	(2,345,190)	(1,783,326)
OTHER FINANCING SOURCES			
Proceeds from Sale of Capital Assets	77,634	-	77,634
NET CHANGE IN FUND BALANCES	639,498	(2,345,190)	(1,705,692)
Fund Balances - Beginning of Year	<u>67,629,849</u>	<u>22,797,697</u>	<u>90,427,546</u>
FUND BALANCES - END OF YEAR	<u>\$ 68,269,347</u>	<u>\$ 20,452,507</u>	<u>\$ 88,721,854</u>

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, 2022**

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances as Shown on Previous Page \$ (1,705,692)

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 in Governmental Fund Statements	6,154,340
Depreciation Expense Reported in the Statement of Activities	(12,432,700)
Amortization Expense on Right-to-Use Assets Reported in the Statement of Activities	(144,325)
Net Book Value of Disposals	(17,615)

Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal Payments on Leases	140,968
Principal Payments on Bonds	29,990,000

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	125,221
Amortization of Premiums and Deferred Charge on Advance Refunding	(1,072,737)
Compensated Absences	1,432,935
Net Pension Asset/Liability	23,659,910
Deferred Outflows of Resources Related to Pensions	50,984,263
Deferred Inflows of Resources Related to Pensions	(52,625,673)
Other Postemployment Benefits	10,501,299
Deferred Outflows of Resources Related to Other Postemployment Benefits	(176,392)
Deferred Inflows of Resources Related to Other Postemployment Benefits	<u>(12,298,090)</u>

Change in Net Position of Governmental Activities as Reported in the Statement of Activities	<u><u>\$ 42,515,712</u></u>
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GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
STATEMENT OF NET POSITION
FIDUCIARY FUND
JUNE 30, 2022

	Employee Benefit Trust
ASSETS	
Cash and Investments	\$ 1,731
Accounts Receivable	2,900,000
Total Assets	\$ 2,901,731
 NET POSITION	
Restricted for Postemployment Benefits	\$ 2,901,731

See accompanying Notes to Basic Financial Statements.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
STATEMENT OF CHANGES IN NET POSITION –
FIDUCIARY FUND
JUNE 30, 2022**

	Employee Benefit Trust
ADDITIONS	
Contributions:	
Employer	\$ 5,815,500
DEDUCTIONS	
Trust Fund Disbursements	2,913,769
CHANGE IN NET POSITION	2,901,731
Net Position - Beginning of Year	-
NET POSITION - END OF YEAR	\$ 2,901,731

See accompanying Notes to Basic Financial Statements.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

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 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 fund:

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, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Additionally, the District reports the following fund type:

- The Employee Benefit Trust Fund is used to account for resources legally held in trust for pension benefits.

C. Measurement Focus and Basis of Accounting

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

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 except for reimbursable grants, for which available is defined as 120 days. This exception is necessary because the funding source reimbursement process routinely extends to this period and the revenue then more appropriately matches to the related expenditures. 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, 2022**

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.

Leases Receivable

The District determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statements of net position and fund financial statements.

Lease receivables represent the District's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term. 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. Interest revenue is recognized ratably over the contract term.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Leases Receivable (Continued)

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

Amounts to be received under residual value guarantees that are not fixed in substance are recognized as a receivable and an inflow of resources if (a) a guarantee payment is required and (b) the amount can be reasonably estimated. Amounts received for the exercise price of a purchase option or penalty for lease termination are recognized as a receivable and an inflow of resources when those options are exercised.

The District recognizes payments received for short-term leases with a lease term of 12 months or less, including options to extend, as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statements of net position and fund financial statements.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the District has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

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.

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.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Prepaid Items (Continued)

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 and right-to-use lease assets are depreciated or amortized 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

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.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

Leases Payable

The District determines if an arrangement is a lease at inception. Leases are included in right-to-use lease assets (lease assets) and lease liabilities in the statements of net position.

Lease assets represent the District's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the District will exercise that option.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Leases Payable (Continued)

The District recognizes payments for short-term leases with a lease term of 12 months or less, including options to extend, as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

The individual lease contracts do not always provide information about the discount rate implicit in the lease. Therefore, the District has elected to use their incremental borrowing rate to calculate the present value of expected lease payments when it is not explicitly stated in the contract.

The District accounts for contracts containing both lease and non-lease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and non-lease components, and it is impractical to estimate the price of such components, the District treats the components as a single lease unit.

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 (revenue), information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the 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.

2. Supplemental Pension Plan

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

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.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

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

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 Chief Financial Officer to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.

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

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

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 amortization, 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.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

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)

2. District-Wide Statements (Continued)

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. Adoption of New Accounting Standards

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The District adopted the requirements of the guidance effective July 1, 2021, and has elected to apply the provisions of this standard to the beginning of the period of adoption. As a result of the implementation of this standard, the District recorded right-to-use assets and related leases payable of \$470,817 in the governmental activities as of July 1, 2021. The District also recorded \$113,336 in leases receivable and deferred inflows of resources related to those receivables as of July 1, 2021 in the governmental activities and the general fund.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Excess of Expenditures over Appropriations

The District's total General Fund expenditures for the fiscal year ended June 30, 2022, exceeded budget by \$4,442,151.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Excess of Expenditures over Appropriations (Continued)

The following functions of the governmental funds had actual expenditures in excess of budget appropriations for the year ended June 30, 2022, as follows:

	<u>Funds</u>	<u>Excess Expenditures</u>
General Fund:		
Instruction		\$ 231,613
Support Services		3,920,458
Debt Service		149,671
Nonprogram		140,409

NOTE 3 CASH AND INVESTMENTS

The debt service funds, capital projects funds and the Employee Benefit Trust fund account for their transactions through separate and distinct bank and investment accounts as required by state statutes. In addition, high school student activities in the Donations special revenue fund use 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 \$71,696,353 on June 30, 2022 as summarized below:

Petty Cash and Cash on Hand	\$ 15,335
Deposits with Financial Institutions	6,020,338
Beneficial Interest in Investment in Community Foundation	730,268
Investments:	
Wisconsin Investment Series Cooperative:	
Cash Management Series	61,368,929
Investment Series	84,320
Limited Term Duration Series	2,971,661
Negotiable Certificates of Deposit	503,771
Bond Mutual Funds	1,211
Money Market Mutual Funds	520
Total	<u>\$ 71,696,353</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 71,694,622
Fiduciary Fund Statement of Net Position:	
Employee Benefit Trust	1,731
Total	<u>\$ 71,696,353</u>

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.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

The District has the following fair value measurements as of June 30, 2022:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments:			
Beneficial Interest in			
Investments Held by			
Community Foundation	\$ -	\$ 730,268	\$ -
Wisconsin Investment Series			
Cooperative:			
Limited Term Duration Series	-	2,971,661	-
Negotiated Certificates of Deposit	-	503,771	-
Bond Mutual Funds	1,211	-	-
Money Market Mutual Funds	520	-	-
	<u>1,731</u>	<u>4,205,700</u>	<u>-</u>
Total	<u>\$ 1,731</u>	<u>\$ 4,205,700</u>	<u>\$ -</u>

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

Custodial Credit Risk

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

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

As of June 30, 2022, \$10,833,587 of the District's deposits with financial institutions were in excess of federal and state depository insurance limits, of which \$10,833,587 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 Wisconsin Investment Series Cooperative	\$ 730,268	\$ -	\$ -	\$ -	\$ -	\$ 730,268
Cash Management Series	84,320	-	84,320	-	-	-
Investment Series	61,368,929	-	61,368,929	-	-	-
Limited Term Duration Series	2,971,661	-	-	2,971,661	-	-
Negotiable Certificate of Deposit	503,771	-	-	-	-	503,771
Mutual Bond Funds	1,211	-	-	346	865	-
Total	<u>\$ 65,660,160</u>	<u>\$ -</u>	<u>\$ 61,453,249</u>	<u>\$ 2,972,007</u>	<u>\$ 865</u>	<u>\$ 1,234,039</u>

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer. At June 30, 2022, the District had no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total District investments.

Interest Rate Risk

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

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

	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	\$ 730,268	\$ 730,268	\$ -	\$ -	\$ -
Wisconsin Investment					
Series Cooperative					
Cash Management Series	84,320	84,320	-	-	-
Investment Series	61,368,929	61,368,929	-	-	-
Limited Term Duration Series	2,971,661	2,971,661	-	-	-
Negotiable Certificates of Deposit	503,771	-	503,771	-	-
Corporate Bonds	1,211	865	-	346	-
Total	<u>\$ 65,660,160</u>	<u>\$ 65,156,043</u>	<u>\$ 503,771</u>	<u>\$ 346</u>	<u>\$ -</u>

Investment in Wisconsin Investment Series Cooperation

The District has investments in the Wisconsin Investment Series Cooperative (WISC) of \$64,928,681 at year-end consisting of \$84,320 invested in the Cash Management Series, \$2,971,661 invested in the Limited Term Duration Series, \$61,368,929 invested in the investment series, and \$503,771 invested in negotiable certificates of deposit. The Cash Management Series has no minimum investment period, allows check writing privileges, and the average dollar weighted maturity is 90 days or less. The Limited Term Duration 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.

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.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 4 CAPITAL ASSETS

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

	Beginning Balance	Adjustments	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES					
Capital Assets, Nondepreciable:					
Land	\$ 9,096,796	\$ -	\$ -	\$ -	\$ 9,096,796
Construction in Progress	-	-	3,008,050	3,008,050	-
Total Capital Assets, Nondepreciable	9,096,796	-	3,008,050	3,008,050	9,096,796
Capital Assets, Depreciable:					
Site Improvements	10,225,312	-	872,970	-	11,098,282
Buildings	364,860,632	-	3,244,430	-	368,105,062
Machinery and Equipment	18,010,213	-	2,036,940	217,007	19,830,146
Subtotals	393,096,157	-	6,154,340	217,007	399,033,490
Less Accumulated Depreciation for:					
Site Improvements	5,402,574	-	403,532	-	5,806,106
Buildings	133,484,516	-	10,893,354	-	144,377,870
Machinery and Equipment	11,969,397	-	1,135,814	199,392	12,905,819
Subtotals	150,856,487	-	12,432,700	199,392	163,089,795
Total Capital Assets, Depreciable, Net	242,239,670	-	(6,278,360)	17,615	235,943,695
Right-to-use Assets:					
Machinery and Equipment	-	470,817	-	-	470,817
Less Accumulated Amortization for:					
Machinery and Equipment	-	-	144,325	-	144,325
Total	-	470,817	(144,325)	-	326,492
Governmental Activities Capital					
Assets, Net	<u>\$ 251,336,466</u>	<u>\$ 470,817</u>	<u>\$ (3,414,635)</u>	<u>\$ 3,025,665</u>	245,366,983
Less: Capital Related Debt					329,849
Less: Capital Related Accounts Payable and Retainage Payable					2,301
Net Investment in Capital Assets					<u>\$ 245,034,833</u>

The \$470,817 adjustment reported above is related to the District's implementation of GASB Statement No. 87, *Leases*, in 2022. See Note 1.F. for additional information.

The District's capital assets are shared by many governmental functions. Accordingly, it was not considered practical to allocate depreciation expense. Amortization expense for the right-to-uses assets was allocated entirely to support services.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables between individual funds of the District, as reported in the fund financial statements, as of June 30, 2022 are detailed below:

	Interfund Receivables	Interfund Payables
Temporary Cash Advances to Finance Operating		
Cash Deficits:		
Governmental Funds:		
General	\$ 1,321,113	\$ -
Indian Education	-	81,276
Headstart	-	1,239,837
Total	\$ 1,321,113	\$ 1,321,113

NOTE 6 LONG-TERM OBLIGATIONS

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

	Beginning Balance	Adjustment	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:						
General Obligation Debt:						
Bonds	\$ 28,290,000	\$ -	\$ -	\$ 28,290,000	\$ -	\$ -
Notes	1,700,000	-	-	1,700,000	-	-
Total General						
Obligation Debt	29,990,000	-	-	29,990,000	-	-
Debt Premium	785,079	-	-	785,079	-	-
Lease Payable	-	470,817	-	140,968	329,849	128,383
Compensated Absences	11,148,639	-	1,135,637	2,568,572	9,715,704	900,000
Governmental						
Activities Long-Term						
Obligations	\$ 41,923,718	\$ 470,817	\$ 1,135,637	\$ 33,484,619	\$ 10,045,553	\$ 1,028,383

The \$470,817 adjustment reported above is related to the District's implementation of GASB Statement No. 87, *Leases*, in 2022. See Note 1.F. for additional information.

Total interest paid during the year on long-term debt totaled \$861,003.

Cash Defeasance

During the year ended June 30, 2022, the District placed \$17,132,940 of existing resources in an account held by an escrow agent to defease \$17,265,000 of debt. The defeasance was undertaken to reduce the District's outstanding debt balance. Total cash flows to service the defeased debt is \$17,132,940.

In prior years, the District defeased \$43,890,000 of a general obligation bond issues using available District cash. As a result, the liabilities have been removed from the financial statements.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Cash Defeasance (Continued)

At June 30, 2022, \$61,155,000 of outstanding general obligation bonds are considered defeased.

General Obligation Debt

The District has no general obligation debt currently outstanding as of June 30, 2022, as a result of the cash defeasance previously noted. The District is responsible for \$232,775 in interest due October 1, 2022 on the general obligation debt that was defeased in the current year.

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, 2022 was \$1,132,983,443 as follows:

Equalized Value per Wisconsin Department of Revenue	\$ 11,329,834,431
Debt Limitation Percentage	(x) 10%
Total Allowable GO Debt	<u>1,132,983,443</u>
Less: Current GO Debt	-
Legal Margin for New Debt	<u><u>\$ 1,132,983,443</u></u>

Leases Payable

The District leases various equipment for various terms under long-term, non-cancelable lease agreements.

A summary of the District's lease terms and interest rates is as follows:

Governmental Activities:

Printer lease. Monthly installments of \$2,025 including interest at 2.5%, due dates ranging from 2023-2025

Printer system lease. Monthly installments of \$6,170 including interest at 2.5%, due dates ranging from 2023-2026

Printer and copier lease. Monthly installments of \$599 including interest at 2.5%, due through 2023

Printer and copier lease. Monthly installments of \$3,717 including interest at 2.5%, due through 2023

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Leases Payable (Continued)

Total future minimum lease payments under lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 128,383	\$ 6,650	\$ 135,033
2024	94,386	3,960	98,346
2025	88,646	1,598	90,244
2026	18,434	77	18,511
Total	<u>\$ 329,849</u>	<u>\$ 12,285</u>	<u>\$ 342,134</u>

Right-to-use assets acquired through outstanding leases are shown in Note 4.

NOTE 7 PENSION PLANS

The District reports pension related balances at June 30, 2022, 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 (Revenue)</u>
Wisconsin Retirement System (WRS)	\$ 76,875,589	\$ -	\$ 145,128,747	\$ 181,122,243	\$ (6,705,760)
Supplemental or Stipend Pension Plan	-	26,806,922	1,172,921	3,034,600	1,781,173
Total	<u>\$ 76,875,589</u>	<u>\$ 26,806,922</u>	<u>\$ 146,301,668</u>	<u>\$ 184,156,843</u>	<u>\$ (4,924,587)</u>

Plan Description

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

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

Additionally, ETF issued a standalone Wisconsin Retirement System financial report, which can be found using the link above.

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, 2022**

NOTE 7 PENSION PLANS (CONTINUED)

WRS Pension Plan

Plan Description (Continued)

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

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

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

The WRS also provides death and disability benefits for employees.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7 PENSION PLANS (CONTINUED)

WRS Pension Plan (Continued)

Postretirement Adjustments

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

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2012	-7.0%	-7.0%
2013	-9.6%	9.0%
2014	4.7%	25.0%
2015	2.9%	2.0%
2016	0.5%	-5.0%
2017	2.0%	4.0%
2018	2.4%	17.0%
2019	0.0%	-10.0%
2020	1.7%	21.0%
2021	5.1%	13.0%

Contributions

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

During the reporting period July 1, 2021 through June 30, 2022, the WRS recognized \$11,257,320 in contributions from the District.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7 PENSION PLANS (CONTINUED)

WRS Pension Plan (Continued)

Contributions (Continued)

Contribution rates for the reporting period are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General Including Teachers, Executives and Elected Officials)	6.50 %	6.50 %

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

At June 30, 2022, the District reported an asset of \$76,875,589 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension asset was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the District's proportion was 0.95376966%, which was an increase of 0.00035576% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the District recognized pension expense (revenue) of \$(6,705,760).

At June 30, 2022, 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	\$ 124,188,627	\$ 8,955,341
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	171,977,085
Changes in Assumptions	14,342,355	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	187,511	189,817
Employer Contributions Subsequent to the Measurement Date	6,410,254	-
Total	<u>\$ 145,128,747</u>	<u>\$ 181,122,243</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7 PENSION PLANS (CONTINUED)

WRS Pension Plan (Continued)

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

The \$6,410,254 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, 2023. 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>
2023	\$ (3,615,329)
2024	(20,869,895)
2025	(9,156,832)
2026	(8,761,694)
Total	<u>\$ (42,403,750)</u>

Actuarial Assumptions

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

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

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7 PENSION PLANS (CONTINUED)

WRS Pension Plan Description (Continued)

Actuarial Assumptions (Continued)

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

Long-Term Expected Return on Plan Assets

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

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

	<u>Current Asset Allocation Percentage</u>	<u>Long-Term Expected Nominal Rate of Return Percentage</u>	<u>Long-Term Expected Real Rate of Return Percentage</u>
Core Fund Asset Class:			
Global Equities	52.0%	6.8%	4.2%
Fixed Income	25.0%	4.3%	1.8%
Inflation Sensitive Assets	19.0%	2.7%	0.2%
Real Estate	7.0%	5.6%	3.0%
Private Equity/Debt	12.0%	9.7%	7.0%
Cash	-15.0%	0.9%	N/A
Total Core Fund	100.0%	6.6%	4.0%
Variable Fund Asset Class:			
U.S. Equities	70.0%	6.3%	3.7%
International Equities	30.0%	7.2%	4.6%
Total Variable Fund	100.0%	6.8%	4.2%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

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

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7 PENSION PLANS (CONTINUED)

WRS Pension Plan Description (Continued)

Single Discount Rate

A single discount rate of 6.80% was used to measure the total pension liability for the current as opposed to a discount rate of 7.00% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 1.84%. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2021. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax exempt securities.) Because of the unique structure of WRS, the 6.80% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that Plan members contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current Plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.8%, 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 one-percentage-point lower (5.8%) or one-percentage-point higher (7.8%) than the current rate:

	One Percent Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	One Percent Increase to Discount Rate (7.8%)
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 54,548,681</u>	<u>\$ (76,875,589)</u>	<u>\$(171,476,610)</u>

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>.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7 PENSION PLANS (CONTINUED)

WRS Pension Plan (Continued)

Payable to the Pension Plan

At June 30, 2022, the District reported a payable of \$2,326,293 for the outstanding amount of contributions to the pension plan for the year ended June 30, 2022.

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. The Employee Benefit Trust was created in accordance with the laws of the state of Wisconsin. The sole trustee for the trust is BMO Harris Bank, N.A. Amendments to the trust may be made by an instrument in writing approved by the governing body of the district, executed by duly authorized officers of the District and trustee.

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, 2021 valuation, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries	
Currently Receiving Benefit Payments	149
Active Employees	812
Total	<u>961</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7 PENSION PLANS (CONTINUED)

Supplemental or Stipend Pension Plan (Continued)

Contributions

The Board of Education has the authority to set contributions and does so through its annual budget process.

Investments

Investment Policy

The Plan's policy in regard to the allocation of invested assets is established and may be amended by the District's Board of Education or its designee by a majority vote of its members. It is the policy of the Board of Education to pursue an investment strategy that provides for funding and anticipated withdrawals for payment of benefit-related expenses. The Trust seeks to achieve growth of Trust assets through capital appreciation and dividend and interest income while minimizing risk of loss. The following was the Board's adopted asset allocation policy as of June 30, 2022:

Employee Benefit Trust
Asset Allocation Targets
As of June 30, 2022

<u>Asset Class</u>	<u>Minimum Allocation</u>	<u>Maximum Allocation</u>	<u>Preferred Allocation</u>
Domestic Equity	10.00 %	40.00 %	27.00 %
International Equity	-	10.00	5.00
Inflation Sensitive	-	10.00	3.00
Fixed Income - Investment Grade	40.00	75.00	51.00
Fixed Income - High Yield	-	20.00	12.00
Cash Equivalents	-	30.00	2.00

At June 30, 2022, the Plan had no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total Plan assets.

Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return, net of investment expense was 0.02%.

Net Pension Liability (Asset)

Total Pension Liability - Ending (A)	\$ 26,808,653
Plan Fiduciary Net Position - Ending (B)	<u>2,901,731</u>
District's Net Pension Liability (Asset) - Ending (A) - (B)	<u><u>\$ 23,906,922</u></u>

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	10.82%
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**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7 PENSION PLANS (CONTINUED)

Supplemental or Stipend Pension Plan (Continued)

Supplemental Pension Plan Fiduciary Net Position

Information about the supplemental pension plan's fiduciary net position is presented in the Employee Benefit Trust Fund in these financial statements. Separate stand-alone financial statements are not issued for the supplemental pension plan.

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

<u>Component</u>	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (A)</u>	<u>Plan Fiduciary Net Position (B)</u>	<u>Net Pension Liability (Asset) (A) - (B)</u>
Balance - June 30, 2021	\$ 30,214,195	\$ -	\$ 30,214,195
Changes for the Year:			
Service Cost	1,410,830	-	1,410,830
Interest	662,911	-	662,911
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(701,075)	-	(701,075)
Changes of Assumptions or Other Input	(1,864,439)	-	(1,864,439)
Contributions - Employer	-	5,815,500	(5,815,500)
Net Investment Income	-	-	-
Benefit Payments	(2,913,769)	(2,913,769)	-
Administrative Expense	-	-	-
Net Changes	<u>(3,405,542)</u>	<u>2,901,731</u>	<u>(6,307,273)</u>
Balance - June 30, 2022	<u>\$ 26,808,653</u>	<u>\$ 2,901,731</u>	<u>\$ 23,906,922</u>

For the year ended June 30, 2022, the District recognized pension expense of \$1,781,173.

At June 30, 2022, 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	\$ -	\$ 1,220,593
Changes in Assumptions	1,146,806	1,814,007
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	26,115	-
Total	<u>\$ 1,172,921</u>	<u>\$ 3,034,600</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

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 (Continued)

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>
2023	\$ (259,924)
2024	(259,924)
2025	(259,924)
2026	(259,925)
2027	(266,453)
Thereafter	(555,529)
Total	<u>\$ (1,861,679)</u>

Actuarial Assumptions

The District's total pension liability was measured as of June 30, 2022, and the total pension liability was determined by an actuarial valuation as of June 30, 2021, rolled forward to the measurement date of June 30, 2022. 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, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date:	June 30, 2021
Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Percentage of Salary, Closed Basis
Actuarial Assumptions:	
Discount Rate	3.50%
Inflation	2.50%

Mortality rates are based on 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, 2021 valuation were based on an experience study conducted in 2018 using Wisconsin Retirement System (WRS) experience from 2015-17.

The long-term expected rate of return on pension plan investments was valued at 3.50%. The long-term expected rate of return 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 and was used for all years of benefit payments.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7 PENSION PLANS (CONTINUED)

Supplemental or Stipend Pension Plan (Continued)

Single Discount Rate

The discount rate used to measure the total pension liability was 3.50% for the current year, as opposed to a discount rate of 2.25% for the prior year. The District recently established their trust during the 2021-22 fiscal year. As a result, there is not credible historical experience to reasonably conclude the district will continue to make employer contributions at rates equal to the actuarially determined contribution rates. In addition, the amount of the Total Pension Liability that is funded as of the measurement date is minimal. Therefore, a 20-year AA municipal bond index was applied to all periods of projected benefit payment to determine the Total Pension Liability.

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

The following presents the District's net pension liability at June 30, 2022, calculated using the discount rate of 3.50%, as well as what the District's total pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.50%) or one-percentage-point higher (4.50%) than the current rate.

	One Percent Decrease to Discount Rate (2.50%)	Current Discount Rate (3.50%)	One Percent Increase to Discount Rate (4.50%)
Net Pension Liability	\$ 25,058,604	\$ 23,906,922	\$ 22,766,956

The sensitivity of the District's net pension liability was determined based on the actuarial date while the net pension liability of \$23,906,922 was based on the District's fiscal year ended June 30, 2022, as rolled forward by the District's actuary.

Payable to the Supplemental Pension Plan

At June 30, 2022, the District reported a payable of \$2,900,000 for the outstanding amount of contributions to the Plan for the year ended June 30, 2022.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

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, 2021 valuation, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries	
Currently Receiving Benefit Payments	205
Active Employees	<u>2,570</u>
Total	<u><u>2,775</u></u>

Total OPEB Liability

The District's total OPEB liability was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2021, rolled forward to the measurement date of June 30, 2022. 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, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	2.50%
Salary Increases:	Ranges from 0.1% to 5.6% Depending on Years of Service Plus 3% Inflation
Discount Rate:	3.50%
Healthcare Cost Trend Rates:	6.50% Decreasing by 0.10% per Year Down to 5.00%, and Level Thereafter

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

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, 2021 valuation were based on an experience study conducted in 2018 using Wisconsin Retirement System (WRS) experience from 2015-17.

The June 30, 2021 valuation assumed 75% of the active administrators and teachers currently participating in the District's group health plan would elect to continue coverage in retirement and self-pay the full amount of required premiums until Medicare eligibility. The valuation also assumed 45% of the other employees currently participating in the District's group health plan would elect to continue coverage in retirement and self-pay the full amount of required premiums until Medicare eligibility.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.50% for the current year as opposed to 2.25% in the prior year. 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, 2021	\$ 32,709,435
Changes for the Year:	
Service Cost	2,960,091
Interest	766,999
Differences Between Expected and Actual Experience	(11,499,638)
Changes of Assumptions or Other Input	(2,527,438)
Benefit Payments	(201,313)
Net Changes	(10,501,299)
Balance at June 30, 2022	<u>\$ 22,208,136</u>

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 one-percentage-point lower (2.50%) or one-percentage-point higher (4.50%) than the current rate:

	One Percent Decrease to Discount Rate (2.50%)	Current Discount Rate (3.50%)	One Percent Increase to Discount Rate (4.50%)
Total OPEB Liability	<u>\$ 23,789,934</u>	<u>\$ 22,208,136</u>	<u>\$ 20,719,043</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

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 one-percentage-point lower (5.5% decreasing to 4.0%) or one-percentage-point higher (7.5% decreasing to 6.0%) than the current healthcare cost trend rates:

	One Percent Decrease (5.5% Decreasing to 4.0%)	Healthcare Cost Trend Rates (6.5% Decreasing to 5.0%)	One Percent Increase (7.5% Decreasing to 6.0%)
Total OPEB Liability	<u>\$ 19,779,505</u>	<u>\$ 22,208,136</u>	<u>\$ 25,065,621</u>

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

For the year ended June 30, 2022, the District recognized OPEB expense of \$2,174,496. At June 30, 2022, 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	\$ -	\$ 12,633,620
Changes in Assumptions	1,234,739	2,274,694
Total	<u>\$ 1,234,739</u>	<u>\$ 14,908,314</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>
2023	\$ (1,552,594)
2024	(1,552,594)
2025	(1,552,594)
2026	(1,552,594)
2027	(1,552,594)
Thereafter	(5,910,605)
Total	<u>\$ (13,673,575)</u>

Payable to the OPEB Plan

At June 30, 2022, the District reported no amount owing for the outstanding amount of contribution to the Plan required for the year ended June 30, 2022.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 DEFERRED COMPENSATION PLAN

The District offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The Wisconsin Deferred Compensation Plan (the Plan), available to all District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Contributions to this Plan are entirely from employee voluntary contributions. Employees can elect to contribute to the Plan by selecting a specific percentage of their salary or selecting a dollar amount. Annual amounts to be contributed by the employee may not exceed IRS limits. The District makes no employer contributions to this Plan. Wisconsin Department of Employee Trust Funds is the administrator of the Wisconsin Deferred Compensation Plan. The deferred compensation Plan assets are placed in trust for the sole benefit of employees and beneficiaries participating in the Plan and, therefore, are not recorded on these financial statements.

NOTE 10 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, 2022, nonspendable fund balance was as follows:

	General	Nonmajor
Nonspendable:		
Inventories and Prepaid Items	\$ 287,521	\$ 443,520

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 FUND EQUITY (CONTINUED)

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At June 30, 2022, restricted fund balance was as follows:

General Fund		
Restricted for:		
Get Kids Ahead Mental Health Program	\$	285,279
Special Revenue Funds:		
Restricted for:		
Donor Intentions		2,778,372
Student Activities		663,125
Scholarships		962,880
Community Service		2,573,533
Food Service		<u>5,615,759</u>
Total Special Revenue Funds		
Restricted Fund Balance		12,593,669
Debt Service Funds:		
Restricted for:		
Referendum Debt Payments		<u>4,443,647</u>
Capital Projects Fund:		
Restricted for:		
Future Capital Projects		<u>2,971,671</u>
Total Restricted Fund Balance	\$	<u><u>20,294,266</u></u>

Assigned Fund Balance

Portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At June 30, 2022, fund balance was assigned as follows:

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

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 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 2022 - 23 General Fund Expenditures	\$ 317,014,660
Minimum Fund Balance Percentage	(x) 15%
Minimum Fund Balance Amount	\$ 47,552,199

The District's committed, assigned and unassigned general fund balance of \$67,696,547 is above the minimum fund balance amount.

NOTE 11 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.

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, 2022, the District reported a liability of \$6,496,841 which represents reported and unreported claims which were incurred on or before June 30, 2022, 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.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 RISK MANAGEMENT (CONTINUED)

Changes in the program's claim liability amount for the year ended June 30, 2022 with comparative totals for the prior year follows:

	Liability July 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability June 30
2022	\$ 5,242,392	\$ 57,659,599	\$ 56,405,150	\$ 6,496,841
2021	5,172,018	48,057,943	47,987,569	5,242,392

NOTE 12 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 13 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.

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, 2022**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Property Taxes	\$ 63,742,537	\$ 63,742,537	\$ 63,742,537	\$ -
Other Local Sources	964,728	1,155,507	1,431,986	276,479
Interdistrict Sources	4,261,287	4,261,287	4,306,235	44,948
Intermediate Sources	-	5,000	4,601	(399)
State Sources	198,504,136	199,496,422	199,873,478	377,056
Federal Sources	25,193,206	30,524,930	33,564,072	3,039,142
Other Sources	191,029	191,029	1,169,294	978,265
Total Revenues	<u>292,856,923</u>	<u>299,376,712</u>	<u>304,092,203</u>	<u>4,715,491</u>
EXPENDITURES				
Instruction:				
Regular Instruction	100,875,536	99,495,308	99,741,897	(246,589)
Vocational Instruction	6,637,310	6,828,541	6,939,443	(110,902)
Other Instruction	28,278,527	29,055,701	28,929,823	125,878
Total Instruction	<u>135,791,373</u>	<u>135,379,550</u>	<u>135,611,163</u>	<u>(231,613)</u>
Support Services:				
Pupil Services	15,249,276	15,386,409	16,360,137	(973,728)
Instructional Staff Services	15,960,698	17,527,311	17,692,470	(165,159)
General Administration Services	5,006,344	4,877,055	5,097,728	(220,673)
School Administration Services	16,166,797	16,359,568	17,233,350	(873,782)
Business Services	2,543,311	2,724,463	2,807,227	(82,764)
Operations and Maintenance of Plant	23,259,351	24,058,228	23,750,160	308,068
Pupil Transportation Services	7,107,334	7,506,487	6,982,707	523,780
Central Services	2,852,815	3,152,333	3,973,188	(820,855)
Insurance	936,300	936,300	896,215	40,085
Other Support Services	6,187,014	9,121,892	10,777,322	(1,655,430)
Total Support Services	<u>95,269,240</u>	<u>101,650,046</u>	<u>105,570,504</u>	<u>(3,920,458)</u>
Debt Service:				
Principal	-	-	140,968	(140,968)
Interest and Fiscal Charges	3,000	3,000	11,703	(8,703)
Total Debt Service	<u>3,000</u>	<u>3,000</u>	<u>152,671</u>	<u>(149,671)</u>
Nonprogram:				
General Tuition Payments	19,717,298	20,376,845	20,424,475	(47,630)
Adjustments and Refunds	90,000	90,000	253,083	(163,083)
Voucher Payments	8,580,632	8,580,632	8,510,328	70,304
Total Nonprogram	<u>28,387,930</u>	<u>29,047,477</u>	<u>29,187,886</u>	<u>(140,409)</u>
Total Expenditures	<u>259,451,543</u>	<u>266,080,073</u>	<u>270,522,224</u>	<u>(4,442,151)</u>
EXCESS OF REVENUES OVER EXPENDITURES	33,405,380	33,296,639	33,569,979	273,340
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Capital Assets	50,000	50,000	77,634	27,634
Transfers Out	(33,455,380)	(33,346,639)	(33,008,115)	338,524
Total Other Financing Sources (Uses)	<u>(33,405,380)</u>	<u>(33,296,639)</u>	<u>(32,930,481)</u>	<u>366,158</u>
NET CHANGE IN FUND BALANCE	-	-	639,498	639,498
Fund Balance - Beginning of Year	<u>67,629,849</u>	<u>67,629,849</u>	<u>67,629,849</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 67,629,849</u>	<u>\$ 67,629,849</u>	<u>\$ 68,269,347</u>	<u>\$ 639,498</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, 2022**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Interdistrict Sources	\$ 33,863	\$ 33,863	\$ 33,863	\$ -
Intermediate Sources	-	6,000	5,260	(740)
State Sources	12,483,663	12,483,663	12,768,433	284,770
Federal Sources	6,972,175	8,029,609	6,397,311	(1,632,298)
Total Revenues	<u>19,489,701</u>	<u>20,553,135</u>	<u>19,204,867</u>	<u>(1,348,268)</u>
EXPENDITURES				
Instruction:				
Regular Instruction	750,000	691,242	-	691,242
Special Education Instruction	38,115,217	38,836,615	38,852,359	(15,744)
Other Instruction	7,290	7,290	2,120	5,170
Total Instruction	<u>38,872,507</u>	<u>39,535,147</u>	<u>38,854,479</u>	<u>680,668</u>
Support Services:				
Pupil Services	7,372,265	7,450,470	7,492,809	(42,339)
Instructional Staff Services	2,425,865	2,633,157	2,154,449	478,708
Operations and Maintenance of Plant	8,650	12,000	10,634	1,366
Pupil Transportation Services	2,850,107	2,850,107	2,964,846	(114,739)
Central Services	40,000	43,310	14,802	28,508
Other Support Services	193,110	193,006	190,073	2,933
Total Support Services	<u>12,889,997</u>	<u>13,182,050</u>	<u>12,827,613</u>	<u>354,437</u>
Nonprogram:				
Special Education Tuition Payments	1,182,577	1,182,577	520,802	661,775
Revenue Transits to Others	-	-	10,088	(10,088)
Total Nonprogram	<u>1,182,577</u>	<u>1,182,577</u>	<u>530,890</u>	<u>651,687</u>
Total Expenditures	<u>52,945,081</u>	<u>53,899,774</u>	<u>52,212,982</u>	<u>1,686,792</u>
EXCESS OF REVENUES UNDER EXPENDITURES	(33,455,380)	(33,346,639)	(33,008,115)	338,524
OTHER FINANCING SOURCES				
Transfers In	<u>33,455,380</u>	<u>33,346,639</u>	<u>33,008,115</u>	<u>(338,524)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
TOTAL OPEB LIABILITY					
Service Cost	\$ 2,960,091	\$ 2,894,955	\$ 2,267,349	\$ 2,188,633	\$ 2,188,633
Interest	766,999	688,097	1,016,149	977,483	904,415
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	(11,499,638)	-	(3,262,780)	-	-
Changes of Assumptions	(2,527,438)	-	1,317,895	490,622	-
Benefit Payments	<u>(201,313)</u>	<u>(16,501)</u>	<u>(189,775)</u>	<u>(1,269,185)</u>	<u>(1,019,920)</u>
Net Change in Total OPEB Liability	(10,501,299)	3,566,551	1,148,838	2,387,553	2,073,128
Total OPEB Liability - Beginning of Year	<u>32,709,435</u>	<u>29,142,884</u>	<u>27,994,046</u>	<u>25,606,493</u>	<u>23,533,365</u>
TOTAL OPEB LIABILITY - END OF YEAR	<u>\$ 22,208,136</u>	<u>\$ 32,709,435</u>	<u>\$ 29,142,884</u>	<u>\$ 27,994,046</u>	<u>\$ 25,606,493</u>
Covered-Employee Payroll	<u>\$ 169,458,243</u>	<u>\$ 153,420,983</u>	<u>\$ 153,420,983</u>	<u>\$ 144,802,792</u>	<u>\$ 144,802,792</u>
District's Total OPEB Liability as a Percentage of Covered-Employee Payroll	13.11 %	21.32 %	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.

See accompanying Notes to Required Supplementary Information.

**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**

Measurement Period 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
12/31/20	0.95341390	(59,522,952)	156,119,807	38.13	105.26
12/31/21	0.95376966	(76,875,589)	167,882,987	45.79	106.02

See accompanying Notes to Required Supplementary Information.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
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
6/30/21	10,838,438	10,838,438	-	160,570,515	6.75
6/30/22	11,257,320	11,257,320	-	170,495,406	6.60

See accompanying Notes to Required Supplementary Information.

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

	2022	2021	2020	2019	2018	2017
Total Pension Liability:						
Service Cost	\$ 1,410,830	\$ 1,379,785	\$ 1,308,161	\$ 1,258,208	\$ 1,261,705	\$ 1,282,811
Interest	662,911	680,429	1,047,016	1,112,568	908,852	921,977
Changes of Benefit Terms	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(701,075)	-	(704,885)	-	(251,590)	-
Changes in Assumptions	(1,864,439)	-	1,388,302	347,716	(334,813)	-
Benefit Payments	(2,913,769)	(2,794,855)	(2,700,847)	(2,293,575)	(2,124,389)	(2,025,039)
Net Change in Total Pension Liability	(3,405,542)	(734,641)	337,747	424,917	(540,235)	179,749
Total Pension Liability - Beginning of Year	30,214,195	30,948,836	30,611,089	30,186,172	30,726,407	30,546,658
Total Pension Liability - End of Year	<u>\$ 26,808,653</u>	<u>\$ 30,214,195</u>	<u>\$ 30,948,836</u>	<u>\$ 30,611,089</u>	<u>\$ 30,186,172</u>	<u>\$ 30,726,407</u>
Fiduciary Net Position:						
Contributions - Employer	\$ 5,815,500	\$ -	\$ -	\$ -	\$ -	\$ -
Net Investment Income	-	-	-	-	-	-
Benefit Payments	(2,913,769)	-	-	-	-	-
Administrative Expense	-	-	-	-	-	-
Net Change in Fiduciary Net Position	2,901,731	-	-	-	-	-
Fiduciary Net Position - Beginning of Year	-	-	-	-	-	-
Fiduciary Net Position - End of Year	<u>\$ 2,901,731</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Pension Liability - End of Year	<u>\$ 23,906,922</u>	<u>\$ 30,214,195</u>	<u>\$ 30,948,836</u>	<u>\$ 30,611,089</u>	<u>\$ 30,186,172</u>	<u>\$ 30,726,407</u>
Fiduciary Net Position as a Percentage of the Total Pension Liability	10.82%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-Employee Payroll	\$ 59,750,686	\$ 65,278,491	\$ 65,278,491	\$ 70,504,676	\$ 70,504,676	\$ 72,568,274
District's Net Pension Liability as a Percentage of Covered-Employee Payroll	40.01 %	46.29 %	47.41 %	43.42 %	42.81 %	42.34 %
Annual Money-Weighted Rate of Return, Net of Investment Expenses	0.02 %	0.00%	0.00%	0.00%	0.00%	0.00%

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

See accompanying Notes to Required Supplementary Information.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF CONTRIBUTIONS— SUPPLEMENTAL PENSION PLAN
LAST 10 FISCAL YEARS***

	2022
Actuarially Determined Contribution (ADC)	\$ 2,937,158
Contributions in Relation to the ADC	5,815,500
Contribution Deficiency (Excess)	\$ (2,878,342)
 Covered-Employee Payroll	 \$ 59,750,686
 Contributions as a Percentage of Covered- Employee Payroll	 10%
 <u>Key Methods and Assumption Used to Calculate ADC</u>	
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value
Amortization Method	20-Year Level \$
Discount Rate	3.50%
Inflation	2.00%
Valuation Date	June 30, 2021

* 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, 2022**

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

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

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

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

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

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 June 30, 2021 valuation included updated WRS retirement assumptions and assumed discount rate in comparison to the June 30, 2019 valuation.

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, 2022**

NOTE 3 OTHER POSTEMPLOYMENT BENEFITS

Changes of Benefit Terms

There were no changes of benefit terms.

Changes of Assumptions

The June 30, 2021 valuation included updated WRS retirement assumptions, assumed discount rate, retiree spousal coverage assumptions, and updated methodologies in developing the expected health care claims cost per capita in comparison to the June 30, 2019 valuation.

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, 2022**

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's total General Fund expenditures for the fiscal year ended June 30, 2022, exceeded budget by \$4,442,151.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

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)	\$ 304,092,203	\$ 19,204,867
Reclassification of Special Education	<u>19,204,867</u>	<u>(19,204,867)</u>
Total Revenues	323,297,070	-
Expenditures:		
Actual Amounts (Budgetary Basis)	270,522,224	52,212,982
Reclassification of Special Education	<u>52,212,982</u>	<u>(52,212,982)</u>
Total Expenditures	<u>322,735,206</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures:		
Actual Amounts (Budgetary Basis)	33,569,979	(33,008,115)
Reclassification of Special Education	<u>(33,008,115)</u>	<u>33,008,115</u>
Excess of Revenues Over (Under) Expenditures	561,864	-
Other Financing Sources (Uses):		
Actual Amounts (Budgetary Basis)	(32,930,481)	33,008,115
Reclassification of Special Education	<u>33,008,115</u>	<u>(33,008,115)</u>
Total Other Financing Sources (Uses)	<u>77,634</u>	<u>-</u>
Net Change in Fund Balance:		
Actual Amounts (Budgetary Basis)	639,498	-
Fund Balance - July 1		
Actual Amounts (Budgetary Basis)	<u>67,629,849</u>	<u>-</u>
Fund Balance - June 30		
Actual Amounts (Budgetary Basis)	<u><u>\$ 68,269,347</u></u>	<u><u>\$ -</u></u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

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, 2022 as follows:

	<u>Funds</u>	<u>Excess Expenditures</u>
General Fund:		
Instruction		\$ 231,613
Support Services		3,920,458
Debt Service		149,671
Nonprogram		140,409

SUPPLEMENTARY INFORMATION

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
COMBINING BALANCE SHEET — NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022**

	Special Revenue			
	Donations	Head Start	Community Service	Indian Education
ASSETS				
Cash and Investments	\$ 4,393,194	\$ -	\$ 3,287,525	\$ -
Receivables:				
Accounts	47,860	-	-	-
Due from Other Governments	-	1,267,032	-	83,593
Inventories and Prepaid Items	250	-	-	-
	<u>\$ 4,441,304</u>	<u>\$ 1,267,032</u>	<u>\$ 3,287,525</u>	<u>\$ 83,593</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 36,677	\$ 27,195	\$ 713,992	\$ 2,317
Due to Other Funds	-	1,239,837	-	81,276
Unearned Revenues	-	-	-	-
Total Liabilities	<u>36,677</u>	<u>1,267,032</u>	<u>713,992</u>	<u>83,593</u>
FUND BALANCES				
Nonspendable	250	-	-	-
Restricted	4,404,377	-	2,573,533	-
Total Fund Balances	<u>4,404,627</u>	<u>-</u>	<u>2,573,533</u>	<u>-</u>
	<u>\$ 4,441,304</u>	<u>\$ 1,267,032</u>	<u>\$ 3,287,525</u>	<u>\$ 83,593</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
COMBINING BALANCE SHEET — NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2022**

	Special Revenue		Debt Service		Total Nonmajor Governmental Funds
	Food Service	Capital Projects	Non- Referendum Debt Service	Referendum Debt Service	
ASSETS					
Cash and Investments	\$ 5,480,143	\$ 2,971,671	\$ -	\$ 4,443,647	\$ 20,576,180
Receivables:					
Accounts	183,155	-	-	-	231,015
Due from Other Governments	234,576	-	-	-	1,585,201
Inventories and Prepaid Items	443,270	-	-	-	443,520
Total Assets	<u>\$ 6,341,144</u>	<u>\$ 2,971,671</u>	<u>\$ -</u>	<u>\$ 4,443,647</u>	<u>\$ 22,835,916</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 99,997	\$ -	\$ -	\$ -	\$ 880,178
Due to Other Funds	-	-	-	-	1,321,113
Unearned Revenues	182,118	-	-	-	182,118
Total Liabilities	<u>282,115</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,383,409</u>
FUND BALANCES					
Nonspendable	443,270	-	-	-	443,520
Restricted	5,615,759	2,971,671	-	4,443,647	20,008,987
Total Fund Balances	<u>6,059,029</u>	<u>2,971,671</u>	<u>-</u>	<u>4,443,647</u>	<u>20,452,507</u>
Total Liabilities and Fund Balances	<u>\$ 6,341,144</u>	<u>\$ 2,971,671</u>	<u>\$ -</u>	<u>\$ 4,443,647</u>	<u>\$ 22,835,916</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, 2022**

	Special Revenue			
	Donations	Head Start	Community Service	Indian Education
REVENUES				
Property Taxes	\$ -	\$ -	\$ 2,764,368	\$ -
Other Local Sources	2,442,594	-	-	-
Federal Sources	-	4,163,908	-	315,744
Other Sources	-	-	-	-
Total Revenues	<u>2,442,594</u>	<u>4,163,908</u>	<u>2,764,368</u>	<u>315,744</u>
EXPENDITURES				
Instruction:				
Regular Instruction	16,904	2,329,496	851,008	-
Other Instruction	54,182	-	554,594	-
Total Instruction	<u>71,086</u>	<u>2,329,496</u>	<u>1,405,602</u>	<u>-</u>
Support Services:				
Pupil Services	-	1,514,006	-	313,691
Instructional Staff Services	71,090	-	-	2,053
General Administration Services	-	-	1,416,590	-
School Administration Services	1,761,081	-	-	-
Operations and Maintenance of Plant	-	26,173	-	-
Pupil Transportation Services	-	294,233	-	-
Food Services	-	-	-	-
Total Support Services	<u>1,832,171</u>	<u>1,834,412</u>	<u>1,416,590</u>	<u>315,744</u>
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Nonprogram:				
Adjustments and Refunds	215,174	-	-	-
Post-secondary Scholarship Expenditures	69,500	-	-	-
Total Nonprogram	<u>284,674</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>2,187,931</u>	<u>4,163,908</u>	<u>2,822,192</u>	<u>315,744</u>
NET CHANGE IN FUND BALANCES	254,663	-	(57,824)	-
Fund Balances - Beginning of Year	<u>4,149,964</u>	<u>-</u>	<u>2,631,357</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 4,404,627</u>	<u>\$ -</u>	<u>\$ 2,573,533</u>	<u>\$ -</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES — NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Special Revenue		Debt Service		Total Nonmajor Governmental Funds
	Food Service	Capital Projects	Nonreferendum Debt Service	Referendum Debt Service	
REVENUES					
Property Taxes	\$ -	\$ -	\$ -	\$ 29,495,000	\$ 32,259,368
Other Local Sources	292,168	2,876	-	132,061	2,869,699
Federal Sources	13,867,593	-	-	-	18,347,245
Other Sources	2,521	-	-	-	2,521
Total Revenues	14,162,282	2,876	-	29,627,061	53,478,833
EXPENDITURES					
Instruction:					
Regular Instruction	-	-	-	-	3,197,408
Other Instruction	-	-	-	-	608,776
Total Instruction	-	-	-	-	3,806,184
Support Services:					
Pupil Services	-	-	-	-	1,827,697
Instructional Staff Services	-	-	-	-	73,143
General Administration Services	-	-	-	-	1,416,590
School Administration Services	-	-	-	-	1,761,081
Operations and Maintenance of Plant	-	3,226,286	-	-	3,252,459
Pupil Transportation Services	-	-	-	-	294,233
Food Services	12,205,044	-	-	-	12,205,044
Total Support Services	12,205,044	3,226,286	-	-	20,830,247
Debt Service:					
Principal	-	-	1,700,000	28,290,000	29,990,000
Interest and Fiscal Charges	-	-	51,000	831,901	882,901
Total Debt Service	-	-	1,751,000	29,121,901	30,872,901
Nonprogram:					
Adjustments and Refunds	-	30,017	-	-	245,191
Post-secondary Scholarship Expenditures	-	-	-	-	69,500
Total Nonprogram	-	30,017	-	-	314,691
Total Expenditures	12,205,044	3,256,303	1,751,000	29,121,901	55,824,023
NET CHANGE IN FUND BALANCES	1,957,238	(3,253,427)	(1,751,000)	505,160	(2,345,190)
Fund Balances - Beginning of Year	4,101,791	6,225,098	1,751,000	3,938,487	22,797,697
FUND BALANCES - END OF YEAR	<u>\$ 6,059,029</u>	<u>\$ 2,971,671</u>	<u>\$ -</u>	<u>\$ 4,443,647</u>	<u>\$ 20,452,507</u>

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF CHARTER SCHOOL AUTHORIZER OPERATING COSTS
YEAR ENDED JUNE 30, 2022**

OPERATING ACTIVITY	<u>Object</u>	<u>Costs</u>
Employee Salaries	100	\$ 61,029
Employee Benefits	200	<u>25,173</u>
Total Operating Activity		<u><u>\$ 86,202</u></u>

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



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

Board of Education
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, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 7, 2022.

Report on Internal Control Over Financial Reporting

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

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

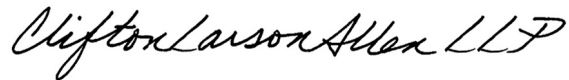
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

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

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 compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Wausau, Wisconsin
December 7, 2022

FEDERAL AND STATE AWARDS



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL AND STATE PROGRAM AND REPORT 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

Opinion on 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, 2022. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; 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*. Our responsibilities under those standards, the Uniform Guidance, and the *State Single Audit Guidelines* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

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 the *State Single Audit Guidelines* which is described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-003. Our opinion on each major federal and state program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002, and 2022-003 to be significant deficiencies.

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

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

Board of Education
Green Bay Area Public School District

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.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Wausau, Wisconsin
December 7, 2022

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022**

Federal Grantor/Federal Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/21	Value or Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/22	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF AGRICULTURE								
Child Nutrition Cluster								
COVID 19 - School Breakfast Program	10.553	WI DPI	2022-052289-DPI-SB-546	\$ -	\$ 135,433	\$ -	\$ 135,433	\$ -
COVID 19 - School Breakfast Program	10.553	WI DPI	2022-052289-DPI-SB-SEVERE-546	-	2,522,252	-	2,522,252	-
Total School Breakfast Program				-	2,657,685	-	2,657,685	-
COVID 19 - National School Lunch Program	10.555	WI DPI	2022-052289-DPI-NSL-547	-	8,651,502	424	8,651,926	-
National School Lunch Program	10.555	WI DPI	Unknown	-	1,068,391	-	1,068,391	-
Total National School Lunch Program				-	9,719,893	424	9,720,317	-
Summer Food Service Program for Children	10.559	WI DPI	2021-052289-DPI-SFSP-566	(487,318)	487,318	-	-	-
COVID 19 - Summer Food Service Program for Children	10.559	WI DPI	2022-052289-DPI-SFSP-561	-	466,014	130,066	596,080	-
Total Summer Food Service Program for Children				(487,318)	953,332	130,066	596,080	-
Total Child Nutrition Cluster				(487,318)	13,330,910	130,490	12,974,082	-
Child and Adult Care Food Program	10.558	WI DPI	2021-052289-DPI-AR-566	(109,471)	109,471	-	-	-
COVID 19 - Child and Adult Care Food Program	10.558	WI DPI	2022-052289-DPI-AR-561	-	789,426	104,086	893,512	-
Total Child and Adult Care Food Program				(109,471)	898,897	104,086	893,512	-
Total U.S. Department of Agriculture				(596,789)	14,229,807	234,576	13,867,594	-
U.S. DEPARTMENT OF EDUCATION								
Indian Education Grants to Local Educational Agencies	84.060	Direct Program	N/A	(76,294)	76,294	-	-	-
Indian Education Grants to Local Educational Agencies	84.060	Direct Program	N/A	-	232,152	83,593	315,745	-
Total Indian Education Grants to Local Educational Agencies				(76,294)	308,446	83,593	315,745	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2021-052289-DPI-TI-D N&D-144	(28,191)	28,191	-	-	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2022-052289-DPI-TID-144	-	60,421	27,709	88,130	-
Title I Grants to Local Educational Agencies	84.010A	WI DPI	2021-052289-DPI-TIA-141	(1,238,121)	1,238,121	-	-	-
Title I Grants to Local Educational Agencies	84.010A	WI DPI	2022-052289-DPI-TIA-141	-	4,314,352	2,133,975	6,448,327	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2021-052289-DPI-CSI-148	(33,572)	33,572	-	-	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2022-052289-DPI-CSI-148	-	63,074	36,926	100,000	-
Total Title I Grants to Local Educational Agencies				(1,299,884)	5,737,731	2,198,610	6,636,457	-

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, 2022**

Federal Grantor/Federal Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/21	Value or Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/22	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF EDUCATION (CONTINUED)								
Special Education Cluster (IDEA)								
Special Education Grants to States	84.027A	CESA #12	2021-749912-DPI-WSPEI-342	\$ -	\$ -	\$ 5,260	\$ 5,260	\$ -
Special Education Grants to States	84.027A	WI DPI	2021-052289-DPI-IDEA-FT-341	(3,491,488)	3,491,488	-	-	-
Special Education Grants to States	84.027A	WI DPI	2022-052289-DPI-FLOW-341	-	2,953,949	1,780,118	4,734,067	-
Special Education Grants to States	84.027A	WI DPI	2021-052289-DPI-UDLSUP-342	(1,614)	9,117	-	7,503	-
COVID-19 Special Education Grants to States	84.027X	WI DPI	2022 - 052289 - DPI - ARPAIDEAFT - 344	-	1,063,561	-	1,063,561	-
Total Special Education Grants to States				(3,493,102)	7,518,115	1,785,378	5,810,391	-
Special Education Preschool Grants	84.173A	WI DPI	2021-052289-DPI-IDEA-P-347	(39,660)	39,660	-	-	-
Special Education Preschool Grants	84.173A	WI DPI	2022-052289-DPI-PRESCH-347	-	12,167	50,222	62,389	-
COVID-19 Special Education Preschool Grants	84.173X	WI DPI	2022 - 052289 - DPI - ARPAIDEAPS - 346	-	111,560	9,425	120,985	-
Total Special Education Preschool Grants				(39,660)	163,387	59,647	183,374	-
Total Special Education Cluster (IDEA)				(3,532,762)	7,681,502	1,845,025	5,993,765	-
Career and Technical Education - Basic Grants to States	84.048	WI DPI	2021-052289-DPI-CTE-400	(182,303)	182,303	-	-	-
Career and Technical Education - Basic Grants to States	84.048	WI DPI	2022-052289-DPI-CTE-400	-	121,654	100,267	221,921	-
Total Career and Technical Education - Basic Grants to States				(182,303)	303,957	100,267	221,921	-
Education for Homeless Children and Youth	84.196A	WI DPI	2021-052289-DPI-EHCY-335	(10,884)	10,884	-	-	-
Education for Homeless Children and Youth	84.196A	WI DPI	2022-052289-DPI-EHCY-335	-	62,533	36,961	99,494	-
Total Education for Homeless Children and Youth				(10,884)	73,417	36,961	99,494	-
Twenty-First Century Community Learning Centers	84.287	WI DPI	2021-052289-DPI-T-IV-B-367	(462,125)	462,125	-	-	-
Twenty-First Century Community Learning Centers	84.287	WI DPI	2022-052289-DPI-TIVB-367	-	563,524	405,679	969,203	664,663
Total Twenty-First Century Community Learning Centers				(462,125)	1,025,649	405,679	969,203	664,663
English Language Acquisition State Grants	84.365A	WI DPI	2021-052289-DPI-TIIIA-391	(116,459)	116,459	-	-	-
English Language Acquisition State Grants	84.365A	WI DPI	2022-052289-DPI-TIIIA-391	-	432,436	142,059	574,495	-
English Language Acquisition State Grants	84.365	WI DPI	2021-052289-DPI-TIIIA-371	(24,924)	24,924	-	-	-
Total English Language Acquisition State Grants				(141,383)	573,819	142,059	574,495	-
Improving Teacher Quality State Grants	84.367A	WI DPI	2021-052289-DPI-TIIA-365	(128,622)	128,622	-	-	-
Improving Teacher Quality State Grants	84.367A	WI DPI	2022-052289-DPI-TIIA-365	-	523,973	258,961	782,934	-
Total Improving Teacher Quality State Grants				(128,622)	652,595	258,961	782,934	-

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, 2022**

Federal Grantor/Federal Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/21	Value or Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/22	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF EDUCATION (CONTINUED)								
Student Support and Academic Enrichment Program	84.424A	WI DPI	2021-052289-DPI-TIV-A-381	\$ (73,984)	\$ 73,984	\$ -	\$ -	\$ -
Student Support and Academic Enrichment Program	84.424A	WI DPI	2022-052289-DPI-TIVA-381	-	363,159	166,004	529,163	-
Total Student Support and Academic Enrichment Program				(73,984)	437,143	166,004	529,163	-
COVID 19 - Elementary and Secondary School Emergency Relief Fund	84.425D	WI DPI	2021-052289-DPI-ESSERF-160	(1,554,646)	2,455,503	12,249	913,106	-
COVID 19 - Elementary and Secondary School Emergency Relief Fund	84.425D	WI DPI	2022-052289-DPI-ESSERFII-163	-	10,284,203	2,842,170	13,126,373	-
COVID 19 - Governor's Emergency Education Relief Fund	84.425C	WI DPI	2021-052289-DPI-GEERF-162	(59,782)	2,071,481	833,979	2,845,678	-
COVID-19 ARPA-Homeless Children and Youth - Part 1	84.425W	WI DPI	2022-052289-DPI-ARPHCYI-168	-	3,080	13,942	17,022	-
Total Education Stabilization Fund				(1,614,428)	14,814,267	3,702,340	16,902,179	-
Total U.S. Department of Education				(7,522,669)	31,608,526	8,939,499	33,025,356	664,663
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES								
Pregnancy Assistance Fund Program	93.500	WI DPI	2021-052289-DPI-INSPIRE-591	(18,388)	18,388	-	-	-
Head Start	93.600	Direct Program	N/A	(2,037,303)	2,037,303	-	-	-
Head Start	93.600	Direct Program	N/A	-	2,896,876	1,267,032	4,163,908	-
Head Start	93.600	Direct Program	N/A	(160,190)	160,190	-	-	-
Total Head Start				(2,197,493)	5,094,369	1,267,032	4,163,908	-
Medicaid Cluster								
Medical Assistance Program	93.778	WI DHS	44200800	-	3,496,698	109,242	3,605,940	-
Total U.S. Department of Health and Human Services				(2,215,881)	8,609,455	1,376,274	7,769,848	-
U.S. DEPARTMENT OF HOMELAND SECURITY								
Disaster Grants - Public Assistance COVID-19	97.036	WI DOA	5-4520-B	-	595,445	-	595,445	-
TOTAL FEDERAL AWARDS				\$ (10,335,339)	\$ 55,043,233	\$ 10,550,349	\$ 55,258,243	\$ 664,663

Reconciliation to the Basic Financial Statements:

Federal Sources	\$ 58,308,628
Federal Grants in Intermediate Sources	5,260
Federal Source Non-Single Audit Grants	(3,055,645)
Total Expenditures of Federal Awards	<u>\$ 55,258,243</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, 2022**

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number	(Accrued) Deferred Revenue 7/1/21	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/22	Total Expenditures	Subrecipient Payments
WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION								
Special Education and School Age Parents	255.101	Direct Program	052289-100	\$ -	\$ 12,406,079	\$ -	\$ 12,406,079	\$ -
Common School Fund Library Aid	255.103	Direct Program	052289-104	-	1,148,651	-	1,148,651	-
Bilingual Bicultural Aid Lea	255.106	Direct Program	052289-111	-	994,129	-	994,129	-
General Transportation Aid	255.107	Direct Program	052289-102	-	221,371	-	221,371	-
Equalization Aids	255.201	Direct Program	052289-116	(2,604,226)	176,075,926	-	173,471,700	-
High Cost Special Education Aid	255.210	Direct Program	052289-119	-	254,278	-	254,278	-
Aid for School Mental Health Programs	255.227	Direct Program	052289-176	-	-	565,413	565,413	-
Peer-to-Peer Suicide Prevention	255.246	Direct Program	052289-183	(4,000)	4,000	4,128	4,128	-
School Based Mental Health Services Grant	255.297	Direct Program	052289-177	(25,065)	38,840	51,507	65,282	-
Alcohol and Other Drug Abuse	255.306	Direct Program	052289-143	(9,988)	18,915	15,919	24,846	-
AODA Program Grants	255.321	Direct Program	052289-142	-	-	671	671	-
Head Start Supplement	255.327	Direct Program	052289-145	(109,769)	198,842	20,696	109,769	-
Tribal Language Revitalization Grants	255.364	Direct Program	052289-155	(6,158)	6,158	2,504	2,504	-
Tuition Payments by State	255.401	Direct Program	052289-157	-	87,791	-	87,791	-
Early College Credit Program	255.445	Direct Program	052289-178	-	6,503	-	6,503	-
Student Achievement Guarantee in Education (SAGE/AGR)	255.504	Direct Program	052289-160	-	4,387,704	-	4,387,704	-
Aid for High Poverty School District	255.926	Direct Program	052289-121	-	1,147,070	-	1,147,070	-
Educator Effective Evaluation System	255.940	Direct Program	052289-154	(11,281)	11,281	140,685	140,685	-
Per Pupil Aid	255.945	Direct Program	052289-113	-	15,376,466	-	15,376,466	-
Career and Technical Education Incentive Grants	255.950	Direct Program	052289-152	-	-	163,722	163,722	-
Aid for Special Ed Transition Grant BBL	255.960	Direct Program	052289-168	-	108,076	-	108,076	-
Total Wisconsin Department of Public Instruction				(2,770,487)	212,492,080	965,245	210,686,838	-
WI DEPARTMENT OF WORKFORCE DEVELOPMENT								
Teacher Training and Development Grant	445.109	Direct Program	EF201AM10024	(35,093)	84,195	-	49,102	-
Teacher Training and Development Grant	445.109	Direct Program	EF184TD20016	(59,529)	65,813	-	6,284	-
Total Wisconsin Department of Workforce Development				(94,622)	150,008	-	55,386	-
Total State Programs				\$ (2,865,109)	\$ 212,642,088	\$ 965,245	\$ 210,742,224	\$ -

Reconciliation to the Basic Financial Statements:

State Sources	\$ 212,641,911
Less: State Sources Not Considered State Financial Assistance	
State Tax Computer Aid	(735,148)
State Personal Property Aid	(540,472)
Other Non-Single Audit Aids	(617,282)
Payment in Lieu of Taxes and Other Revenues	(6,785)
Total Expenditures of State Awards	<u>\$ 210,742,224</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, 2022**

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 2022 fund financial statements. 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. 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. Negative amounts shown in the schedules of expenditures of federal and state awards represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

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 2021 - 2022 eligible costs under the State Special Education Program as reported by the District are \$46,338,296. 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, 2022**

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 DOA – Wisconsin Department of Administration
CESA #12 – Cooperative Educational Services Agency #12

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, 2022**

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

Assistance Listing Number(s)	Name of Federal Program or Cluster
84.010	Title I Grants to Local Educational Agencies
84.425	Education Stabilization Fund
93.600	Head Start
Dollar threshold used to distinguish between Type A and Type B programs:	<u> \$ 1,657,747 </u>
Auditee qualified as low-risk auditee?	<u> x </u> yes _____ no

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

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)? x yes _____ 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? x yes _____ no

Identification of Major State Programs

State ID Number(s)	Name of State Program
255.101	Special Education and School Age Parents
255.107	General Transportation Aid
255.201	Equalization Aids
255.210	High Cost Special Education Aid
255.327	Head Start Supplement
255.926	Aid for High Poverty School District
255.945	Per Pupil Aid

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, 2022**

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

2022-001 Wage Rate Requirements

Federal Agency: U.S. Department of Education

Assistance Listing Number: 84.425C, 84.425D, 84.425W

Pass-Through Agency: Wisconsin Department of Public Instruction

Pass-Through Entity Identifying Number: 2021-052289-DPI-ESSERF-160, 2022-052289-DPI-ESSERFII-163, 2021-052289-DPI-GEERF-162, 2022-052289-DPI-ARPHCYI-168

Award period: July 1, 2021 – June 30, 2022

Type of Finding: Significant Deficiency in Internal Control Over Compliance and Other Matter

Compliance Requirements: Special Tests and Provision.

Criteria or Specific Requirement: Nonfederal entities shall include in their construction contracts subject to the Wage Rate Requirements (which still may be referenced as the Davis-Bacon Act) a provision that the contractor or subcontractor comply with those requirements and the DOL regulations. Internal controls should be designed and implemented to prevent or detect noncompliance with this requirement.

Condition: The District is responsible for ensuring the contractor provides the appropriate certified payrolls and reviewing them to ensure the prevailing wage rates are being met or exceeded. The District did not implement controls to ensure this compliance requirement was met until after the work was completed.

Context: While performing audit procedures, it was noted that the District's construction reviewer did not obtain and review the appropriate certified payrolls for the two projects tested in our sample.

Questioned Costs: 84.425C, 2021-052289-DPI-GEERF-162 - \$60,062.

Cause: The District was aware of the wage rate requirements (Davis Bacon Act) and the compliance requirements surrounding it; however, the District did not implement and document controls ensuring this was completed.

Effect: The District could pay vendors that are not in compliance with the wage rate requirements (Davis Bacon Act).

Repeat Finding: No

Recommendation: We recommended the District implement controls to identify when the wage rate requirements are applicable and to ensure that the required documentation is obtained from the vendor on a timely basis and reviewed for completeness.

**GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

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

2022-001 Wage Rate Requirements (continued)

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

2022-002 High Cost Special Education Aid Reporting

State Agency: Wisconsin Department of Public Instruction

State I.D. Number: 255.210

State Identifying Number: 052289-119

Award period: July 1, 2021 – June 30, 2022

Type of Finding: Significant Deficiency in Internal Control Over Compliance

Compliance Requirements: Reporting.

Criteria or Specific Requirement: Each request for reimbursement should be reviewed to ensure reports are free from error or fraud. Segregation of duties is an internal control intended to prevent or decrease the occurrence of errors or intentional fraud. Segregation of duties ensures that no single employee has control over all parts of the grant reporting process.

Condition: The Executive Assistant to the Superintendent and Board of Education is responsible for preparing and submitting claims related to the High Cost Special Education Grant. There is no documented review or verification by someone other than the preparer that the report is free from error or fraud. Accordingly, this does not allow for a proper segregation of duties for internal control purposes.

Context: While performing audit procedures, it was noted that the District did not have a review or approval of reporting by someone other than the preparer.

Questioned Costs: None.

Cause: There are multiple people who double-check and review the report as it is being processed, but do not document a final approval for submission.

Effect: Errors or intentional fraud could occur and not be detected timely by other employees in the normal course of their responsibilities as a result of the lack of segregation of duties. (The District would be under or overpaid for meals due to overclaiming student costs.)

Repeat Finding: No

Recommendation: We recommend the District implement a review procedure over claims where someone other than the preparer reviews the claim to ensure amounts reported agree back to supporting documentation prior to the claim being filed with the granting agency.

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, 2022**

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

2022-003 General Transportation Aid Reporting

State Agency: Wisconsin Department of Public Instruction

State I.D. Number: 255.107

State Identifying Number: 052289-102

Award period: July 1, 2021 – June 30, 2022

Type of Finding: Significant Deficiency in Internal Control Over Compliance and Other Matter

Compliance Requirements: Reporting.

Criteria or Specific Requirement: Each request for reimbursement should be reviewed to ensure reports are free from error or fraud. Those reviewing the report should look at the data prior to submission to ensure amounts are free from error or fraud. Proper systems should also be in place to ensure data is not erroneous when being pulled from the source.

Condition: The Director of Transportation is responsible for preparing and submitting claims related to General Transportation Aid. The review of the submission is done after the fact and there is no review of the underlying data resulting in potential data errors or possible fraud.

Context: While performing audit procedures, it was noted that the District had one issue with their system where the mileage was calculated over 20 miles and the actual mileage was around 8 miles. It was also noted that one student had an error in the address entered for their home pickup location which resulted in one higher mileage category being claimed. Overall, 4 of the 25 students tested were found to be in the incorrect mileage category. There were also issues with the data used to pull the student numbers where students were entered more than once due to duplicate IDs or name changes. A recalculation of the data found the District overreported by 36 public school riders and 7 private school riders.

Questioned Costs: \$1,970 based on 36 public riders and 7 private riders.

Cause: Data is pulled from the system unfiltered, so most of the data needs to be reviewed and double-checked for duplicate IDs or names and mileage accuracy.

Effect: Claims could result in over- or under-claiming of pupil transportation funds resulting in potential payments back to WI DPI or receiving less reimbursement than is due to the District.

Repeat Finding: No

Recommendation: We recommend the District implement an initial or review procedure over underlying data where someone can filter and appropriately sort data to ensure all riders are reported in the correct category and duplicate names are removed.

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, 2022**

Section IV – Other Issues

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

4. Name and signature of partner



Jon Trautman, CPA

5. Date of report

December 7, 2022



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