

SCHOOL DISTRICT OF CAMERON, WISCONSIN

EXECUTIVE AUDIT SUMMARY (EAS)

JUNE 30, 2019



AUDIT FINDINGS AND RESULTS

Audit Report Summary

We prepared this Executive Audit Summary and Management Report in conjunction with our audit of the District's financial records for the year ended June 30, 2019. The following is a summary of reports we have issued:

Audit Opinion

The financial statements are fairly stated. We issued what is known as an "unmodified" audit opinion.

Internal Controls

Our report on internal control included the following deficiency in internal controls over financial reporting. Please refer to the schedule of findings and questioned costs included in the *Federal and State Single Audit Report* for full details regarding this control deficiency.

Material Weakness:

- 2019-001 Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP)
- 2019-002 Material Audit Adjustments
- 2019-003 Limited Segregation of Duties

Compliance

As part of our audit, we tested the District's compliance with the requirements of laws, regulations, contracts and grants applicable to its federal and state programs as well as the District's internal controls over compliance. We reported the following material weakness in the related internal controls:

- 2019-004 Procurement Policy Lacking Requirements of Uniform Guidance



APPENDIX A

FORMAL REQUIRED COMMUNICATIONS

Board of Education
School District of Cameron
Cameron, Wisconsin

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School District of Cameron (the District) as of and for the year ended June 30, 2019, and have issued our report thereon dated November 5, 2019. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year.

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

Accounting estimates

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

- Useful Lives of Depreciable Capital Assets: Management's estimate of the useful lives for depreciable assets is based on guidance recommended by DPI and other sources.
- Actuarial Assumptions: The actuarial assumptions used for other postemployment benefits and the pension plan benefits are outlined in the notes to the basic financial statements.

- **Compensated Absences:** The compensated absences liability is based on certain assumptions of management as required by GASB 16. The ‘vesting method’ used by the District is based on assumptions involving the probability of employees becoming eligible to receive the benefits (vesting), and the potential use of accumulated sick leave prior to termination.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Financial statement disclosures

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

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

Difficulties encountered in performing the audit

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

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Corrected misstatements

The following material misstatements detected as a result of audit procedures were corrected by management: record transfer to special education and food service funds and coding reclassifications.

Disagreements with management

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

Management representations

We have requested certain representations from management that are included in the management representation letter dated November 5, 2019.

Management consultations with other independent accountants

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

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year. The following summarizes the significant findings or issues arising from the audit that were discussed, or the subject of correspondence, with management:

- Annual financial reporting, material audit adjustments, lack of segregation of duties, and procurement policy lacking certain requirements of the Uniform Guidance.

Other information in documents containing audited financial statements

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

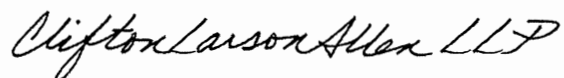
With respect to the schedule of expenditures of federal awards (SEFA) and the schedule of state financial assistance (SSFA) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the SEFA and SSFA to determine that the SEFA and SSFA comply with the requirements of the Uniform Guidance and the *State Single Audit Guidelines*, respectively, the method of preparing it has not changed from the prior period or the reasons for such changes, and the SEFA and SSFA are appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the SEFA and SSFA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated November 5, 2019.

With respect to the individual and combining fund statements and other schedules (the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated November 5, 2019.

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

* * *

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



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
November 5, 2019

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2019

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
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CAMERON, WISCONSIN
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INDEPENDENT AUDITORS' REPORT

Board of Education
School District of Cameron
Cameron, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School District of Cameron, Wisconsin (District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

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 School District of Cameron, Wisconsin as of June 30, 2019, and the respective changes in the financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

The District has omitted a management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual and combining fund statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards and schedule of state financial assistance are presented for purposes of additional analysis 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, respectively, 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.

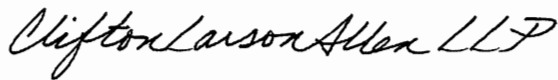
The individual and combining fund statements, charter school authorizer report (section VI only), the schedule of expenditures of federal awards, and the schedule of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected

to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The charter school authorizer annual report, sections I through V and VII, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2019 on our consideration of District's internal control over financial reporting and of our tests on its compliance with certain provisions of laws, regulations, contracts, 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

Eau Claire, Wisconsin
November 5, 2019

FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
STATEMENT OF NET POSITION
JUNE 30, 2019**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 1,124,308
Taxes Receivable	1,431,519
Due from Other Governments	520,672
Capital Assets:	
Capital Assets Not Being Depreciated	1,169,701
Capital Assets Being Depreciated	38,235,956
Accumulated Depreciation	<u>(10,633,780)</u>
Total Assets	31,848,376
DEFERRED OUTFLOWS OF RESOURCES	
Wisconsin Retirement System Pension Related	3,857,704
Supplemental Pension Related	88,224
Other Postemployment Benefits Related	<u>34,489</u>
Total Deferred Outflows of Resources	3,980,417
LIABILITIES	
Accounts Payable	35,493
Accrued Interest Payable	191,735
Accrued Salaries and Wages	5,568
Payroll Taxes and Withholdings	178,347
Unearned Revenue	10,871
Long-Term Liabilities:	
Wisconsin Retirement System Net Pension Liability	1,494,909
Supplemental Pension Plan Total Pension Liability	1,485,112
Other Postemployment Benefits Total OPEB Liability	293,726
Amounts Due Within One Year	1,050,168
Amounts Due in More than One Year	<u>20,940,671</u>
Total Liabilities	25,686,600
DEFERRED INFLOWS OF RESOURCES	
Wisconsin Retirement System Pension Related	2,089,163
Supplemental Pension Related	81,823
Other Postemployment Benefits Total OPEB Liability	<u>2,581</u>
Total Deferred Inflows of Resources	<u>2,173,567</u>
NET POSITION	
Net Investment in Capital Assets	6,904,467
Restricted for:	
Debt Service	357,064
Long-Term Capital Improvements	170,170
Community Service	8,274
Common School Fund	2,787
Unrestricted	<u>525,864</u>
Total Net Position	<u>\$ 7,968,626</u>

See accompanying Notes to Financial Statements.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Net (Expense) Revenue and Changes In Net Position Governmental Activities
		Charges For Services	Operating Grants and Contributions	
Primary Government:				
Governmental Activities:				
Instruction:				
Undifferentiated Curriculum	\$ 6,387,598	\$ 2,092,588	\$ 588,801	\$ (3,706,209)
Vocational Instruction	333,495	111,664	12,816	(209,015)
Special Instruction	1,442,816	273	648,563	(793,980)
Other Instruction	543,901	315,171	-	(228,730)
Total Instruction	<u>8,707,810</u>	<u>2,519,696</u>	<u>1,250,180</u>	<u>(4,937,934)</u>
Support Services:				
Pupil Services	460,919	-	68,006	(392,913)
Instructional Staff Services	1,031,615	13,176	38,357	(980,082)
General Administration Services	323,150	-	-	(323,150)
Building Administration Services	621,629	-	-	(621,629)
Business Services	292,897	-	-	(292,897)
Operations and Maintenance of Plant	1,139,695	-	-	(1,139,695)
Facilities Acquisition and Remodeling	19,332	-	-	(19,332)
Pupil Transportation Services	458,490	-	28,839	(429,651)
Food Service	443,136	158,197	264,220	(20,719)
Central Services	84,975	-	-	(84,975)
Insurance and Judgments	144,531	-	-	(144,531)
Interest and Fiscal Fees	730,258	-	-	(730,258)
Other Support Services	313,560	-	-	(313,560)
Community Services	97,373	-	-	(97,373)
Depreciation - Unallocated *	737,804	-	-	(737,804)
Total Support Services	<u>6,899,364</u>	<u>171,373</u>	<u>399,422</u>	<u>(6,328,569)</u>
Total Primary Government	<u>\$ 15,607,174</u>	<u>\$ 2,691,069</u>	<u>\$ 1,649,602</u>	<u>(11,266,503)</u>

GENERAL REVENUES

Taxes:	
Property Taxes, Levied for General Purposes	2,157,618
Property Taxes, Levied for Debt Purposes	1,770,425
Property Taxes, Levied for Community Service Pur	86,872
Other Taxes	2,530
State and Federal Aids Not Restricted to Specific Functions:	
General	7,535,770
Other	116,944
Interest and Investment Earnings	3,947
Miscellaneous	129,411
Total General Revenues	<u>11,803,517</u>

CHANGE IN NET POSITION	537,014
Net Position - Beginning of Year	<u>7,431,612</u>
NET POSITION - END OF YEAR	<u>\$ 7,968,626</u>

* This amount excludes depreciation included in the direct expense of the various functions - see Note 3.B.

See accompanying Notes to Financial Statements.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019**

	Major Funds			Other Governmental Funds	Totals
	General Fund	Debt Service Fund	Food Service Fund		
ASSETS					
Cash and Investments	\$ 465,015	\$ 548,799	\$ -	\$ 110,494	\$ 1,124,308
Taxes Receivable	1,431,519	-	-	-	1,431,519
Due from Other Governments	484,821	-	35,851	-	520,672
Due from Other Funds	20,615	-	-	70,000	90,615
Total Assets	<u>\$ 2,401,970</u>	<u>\$ 548,799</u>	<u>\$ 35,851</u>	<u>\$ 180,494</u>	<u>\$ 3,167,114</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 34,646	\$ -	\$ -	\$ 847	\$ 35,493
Accrued Salaries and Wages	-	-	4,365	1,203	5,568
Payroll Taxes and Withholdings	178,347	-	-	-	178,347
Due to Other Funds	70,000	-	20,615	-	90,615
Unearned Revenues	-	-	10,871	-	10,871
Total Liabilities	<u>282,993</u>	<u>-</u>	<u>35,851</u>	<u>2,050</u>	<u>320,894</u>
FUND BALANCES					
Restricted	2,787	548,799	-	178,444	730,030
Unassigned	2,116,190	-	-	-	2,116,190
Total Fund Balances	<u>2,118,977</u>	<u>548,799</u>	<u>-</u>	<u>178,444</u>	<u>2,846,220</u>
Total Liabilities and Fund Balances	<u>\$ 2,401,970</u>	<u>\$ 548,799</u>	<u>\$ 35,851</u>	<u>\$ 180,494</u>	<u>\$ 3,167,114</u>

See accompanying Notes to Financial Statements.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2019**

Total Fund Balances - Governmental Funds \$ 2,846,220

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Land	\$ 1,169,701	
Land Improvements	1,291,998	
Buildings	31,745,511	
Furniture and Equipment	5,198,447	
Accumulated Depreciation	<u>(10,633,780)</u>	28,771,877

Pension asset (liability) and related deferred outflows and inflows of resources are recorded only on the statement of net position. Balances at year-end are:

Wisconsin Retirement System Pension Plan:		
Net Pension Asset (Liability)	(1,494,909)	
Deferred Outflows of Resources - WRS Pension Related	3,857,704	
Deferred Inflows of Resources - WRS Pension Related	<u>(2,089,163)</u>	273,632
Single Employer Supplemental Pension Plan:		
Total Pension Liability	(1,485,112)	
Deferred Outflows of Resources - Supplemental Pension Plan	88,224	
Deferred Inflows of Resources - Supplemental Pension Plan	<u>(81,823)</u>	(1,478,711)

Total OPEB liability and related deferred outflows and inflows of resources are recorded only on the statement of net position.

Balances at year-end are:

Other Postemployment Benefits Liability	(293,726)	
Other Postemployment Benefits Deferred Outflows of Resources	34,489	
Other Postemployment Benefits Deferred Inflows of Resources	<u>(2,581)</u>	(261,818)

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Those liabilities consist of:

General Obligation Bonds Payable	(18,560,000)	
General Obligation Notes Payable	(2,718,740)	
Unamortized Premium	(588,670)	
Accrued Interest Payable on General Obligation Debt	(191,735)	
Accrued Employee Leave	<u>(123,429)</u>	<u>(22,182,574)</u>

Net Position of Governmental Activities \$ 7,968,626

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019**

	Major Funds			Other Governmental Funds	Totals
	General Fund	Debt Service Fund	Food Service Fund		
REVENUES					
Local Sources:					
Property Taxes	\$ 2,157,618	\$ 1,770,425	\$ -	\$ 86,872	\$ 4,014,915
Other Local Sources	156,003	-	158,199	554	314,756
Interdistrict Sources	2,189,752	-	-	193,038	2,382,790
Intermediate Sources	24,665	-	-	-	24,665
State Sources	8,446,322	-	8,576	-	8,454,898
Federal Sources	567,110	-	255,643	-	822,753
Other Sources	126,874	-	-	2,537	129,411
Total Revenues	<u>13,668,344</u>	<u>1,770,425</u>	<u>422,418</u>	<u>283,001</u>	<u>16,144,188</u>
EXPENDITURES					
Instruction:					
Regular Instruction	5,286,528	-	-	242,277	5,528,805
Vocational Instruction	310,794	-	-	-	310,794
Special Instruction	1,372,980	-	-	-	1,372,980
Other Instruction	512,369	-	-	-	512,369
Support Services:					
Pupil Services	443,526	-	-	-	443,526
Instructional Staff Services	902,570	-	-	7,200	909,770
General Administration	310,395	-	-	-	310,395
School Building Administration	586,614	-	-	-	586,614
Business Services	282,664	-	-	-	282,664
Operations and Maintenance of Plant	1,696,352	-	-	16,364	1,712,716
Facilities Acquisition and Remodeling	-	-	-	19,332	19,332
Pupil Transportation Services	442,906	-	-	3,375	446,281
Food Service	-	-	428,239	-	428,239
Central Services	79,769	-	-	4,324	84,093
Insurance and Judgments	141,989	-	-	2,542	144,531
Debt Service	6,603	1,872,218	-	-	1,878,821
Other Support Services	283,848	-	-	-	283,848
Community Services	-	-	-	94,985	94,985
Nonprogram Transactions	585,389	-	-	-	585,389
Total Expenditures	<u>13,245,296</u>	<u>1,872,218</u>	<u>428,239</u>	<u>390,399</u>	<u>15,936,152</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	423,048	(101,793)	(5,821)	(107,398)	208,036
OTHER FINANCING SOURCES (USES)					
Transfers In	-	85,743	5,821	166,464	258,028
Transfers Out	(258,028)	-	-	-	(258,028)
Net Other Financing Sources (Uses)	<u>(258,028)</u>	<u>85,743</u>	<u>5,821</u>	<u>166,464</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	165,020	(16,050)	-	59,066	208,036
Fund Balances - Beginning of Year	<u>1,953,957</u>	<u>564,849</u>	<u>-</u>	<u>119,378</u>	<u>2,638,184</u>
FUND BALANCES - END OF YEAR	<u>\$ 2,118,977</u>	<u>\$ 548,799</u>	<u>\$ -</u>	<u>\$ 178,444</u>	<u>\$ 2,846,220</u>

See accompanying Notes to Financial Statements.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE
IN FUND BALANCE OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019**

Net Change in Fund Balances - Total Governmental Funds \$ 208,036

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. In the current period these amounts are:

Capital Outlays Reported in Governmental Fund Statements	\$ 830,392	
Depreciation Expense Reported in the Statement of Activities	(1,031,338)	
Loss on Capital Assets Disposed	<u>(17,819)</u>	(218,765)

Pension expenditures in the governmental funds are measured by current year employee contributions. Pension expenses on the statement of activities are measured by the change in net pension asset and the related deferred outflows and inflows of resources.

Wisconsin Retirement System Pension Plan	(552,315)	
Supplemental Pension Plan	<u>(23,447)</u>	(575,762)

OPEB expenditures in the governmental funds are measured by current year employee contributions. OPEB expenses on the statement of activities are measured by the change in net OPEB asset and the related deferred outflows and inflows of resources.

(23,715)

Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term obligations in the statement of net position and does not affect the statement of activities. The amount of long-term debt payments in the current year is:

1,085,000

Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:

Net Change in Debt Premium	55,168	
Net Change in Accrued Interest Payable	8,395	
Net Change in Compensated Absences at Year-End	<u>(1,343)</u>	<u>62,220</u>

Change in Net Position of Governmental Activities \$ 537,014

SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2019

	Private Purpose Trust Funds	Agency Funds
ASSETS		
Cash and Investments	\$ 2,250	\$ 85,584
LIABILITIES		
Due to Student Organizations	-	\$ 85,584
NET POSITION		
Restricted for Scholarships	\$ 2,250	

See accompanying Notes to Financial Statements.

SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2019

	Private Purpose Trust Funds
ADDITIONS	
Gifts	\$ 1,000
DEDUCTIONS	
Scholarships Awarded	1,000
CHANGE IN NET POSITION	-
Net Position - Beginning of Year	2,250
NET POSITION - END OF YEAR	\$ 2,250

See accompanying Notes to Financial Statements.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

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

B. Reporting Entity

The School District of Cameron is organized as a common school district. The District, governed by a seven member elected school board, operates grades kindergarten through twelve and is comprised of all or parts of ten taxing districts.

The financial reporting of the District is defined by the GASB to consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The basic financial statements of the District consist solely of the primary government. No other organizations were identified for inclusion in the financial reporting entity of the District.

C. Government-Wide and Fund Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds) as described below:

Government-Wide Statements

The statement of net position and the statement of activities present financial information about the District's governmental type activities. (The District had no business type activities for the reporting year.) These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Government-Wide Statements (Continued)

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

Fund Financial Statements

The fund statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds; each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District has the following major governmental funds:

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

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

Food Service Fund – The Food Service Fund is used to account for the accumulation and use of resources for the food service program.

Additionally, the District reports the following fiduciary funds:

Private-Purpose Trust Fund – The Private-Purpose Trust Fund is used to account for assets held by the District in a trustee capacity for individuals, private organizations and for other governmental units, including scholarship funds.

Agency Fund – The Agency Fund is used to account for assets held by the District as an agent for individuals, private organizations and/or other governmental units, specifically, activities of student organizations are accounted for in the agency fund.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting

The government-wide and fiduciary trust fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Fiduciary agency funds do not have a measurement focus.

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

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

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

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity

1. Deposits and Investments

Investments of the District are stated at fair value. The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition. Cash and investment balances for individual funds are pooled unless maintained in segregated accounts.

The District is required to invest its funds in accordance with Wisconsin Statutes 66.0603 and 67.11(2). State statutes permit the District to invest available cash balances, other than debt service funds, in time deposits of authorized depositories, U.S. Treasury obligations, U.S. agency issues, high grade commercial paper, and the local government pooled-investment fund administered by the state investment board. Available balances in the debt service fund may be invested in municipal obligations, obligations of the United States and the local government pooled-investment fund.

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

2. Receivables and Payables

Property Taxes

Under Wisconsin law, personal property taxes and first installment real estate taxes are collected by city, town, and village treasurers or clerks who then make proportional settlement with the school district and county treasurer for those taxes collected on their behalf. The county treasurer who then makes settlement with the city, town, village, and school districts before retaining any for county purposes collects second installment real estate taxes and delinquent taxes.

The District's property taxes are levied on or before October 31 on the equalized property valuation certified by the Department of Revenue. As permitted by a collecting municipality's ordinance, taxes may be paid in full or two or more installments with the first installment payable the subsequent January 31st, and a final payment no later than the following July 31st. The District is paid by the collecting municipality its proportionate share of tax collections received through the last day of the preceding month on or before January 15th, and by the 20th of each subsequent month thereafter. On or before August 20th, the County Treasurer makes full settlement to the District for any remaining balance. The County assumes all responsibility for delinquent real property taxes.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

2. Receivables and Payables (Continued)

Property Taxes (Continued)

Property taxes are recognized as revenue in the period for which taxes are levied. The 2018 tax levy is used to finance operations of the District's fiscal year ended June 30, 2019. All property taxes are considered due on January 1st, when an enforceable lien is assessed against the property and the taxpayer is liable for the taxes. All taxes are collected within 60 days of June 30th and are available to pay current liabilities.

Accounts Receivable

All accounts receivable are shown at gross amounts. No allowance for uncollectible accounts has been provided since such allowance would not be material.

Interfund Balances

The current portion of lending/borrowing arrangements between funds is identified as "due to/from other funds." The noncurrent portion of outstanding balances between funds is reported as "advances to/from other funds." Advances between funds are offset by a fund balance reserve account to indicate that they are not available for appropriation and are not expendable available financial resources. For government-wide financial statements, eliminations were made for amounts due to and due from within the same fund type.

3. Inventories and Prepaid Items

Expendable supplies or non-capital items acquired for initial use in subsequent fiscal periods are recorded as inventories and/or prepaid expenses. Prepaid insurance or service contracts are not recorded unless their recognition as an expenditure would result in more than one year's cost being recorded. Inventory and prepaid supplies are valued at the lower of cost (first-in, first-out method) or market and are recorded as expenditures when consumed rather than when purchased.

4. Capital Assets

Capital assets are reported at actual cost or estimated historical costs based on an appraisal conducted by an independent third-party appraisal firm. Donated assets are reported at estimated acquisition value at the time received.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

4. Capital Assets (Continued)

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

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land	\$ 1,000	N/A	N/A
Land Improvements	1,000	Straight-Line	20 Years
Buildings	1,000	Straight-Line	50 Years
Building Improvements	1,000	Straight-Line	7-30 Years
Furniture and Equipment	1,000	Straight-Line	5-20 Years
Vehicles	1,000	Straight-Line	8 Years
Textbooks, Library, and Media*	1,000	Straight-Line	10 Years

* For purposes of determining the capitalization threshold for these items the District groups all purchases for the year.

5. Deferred Outflows of Resources

The District reports decreases in net position or fund balance that relate to a future period as deferred outflows of resources in a separate section of its government-wide statement of net position or governmental fund balance sheet. The District reports deferred outflows of resources for pension and OPEB plan related items.

6. Deferred Inflows of Resources

The District reports increases in net position or fund balance that applies to a future period as deferred inflows of resources in a separate section of its government-wide statement of net position or governmental fund balance sheet. The District reports deferred inflows of resources for pension and OPEB plan related items.

7. Compensated Absences

The District does not generally allow vacation to accumulate. Vacation is recorded as an expenditure in the year used. The District's policy allows support staff to earn 10 days of sick leave per year thereafter to a maximum of 60 days. Any unused sick leave in excess of 60 days is paid at a rate of \$20 per day. Professional employees may accrue up to 60 days of sick leave at a maximum rate of 11 days per year.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

7. Compensated Absences (Continued)

Any unused sick leave in excess of 60 days is paid at a rate of \$80 per day. All unused accumulated professional and nonprofessional employee benefits are forfeited upon retirement or termination of employment, except for participation by the employee in the voluntary early retirement program. The District's policy and estimated liabilities are further discussed in Note 4.D.

8. Other Postemployment Benefits Liability

Under the provisions of various employee and union contracts the District provides a retirement program for certain employees which includes certain health insurance benefits. The amount to be incurred is limited as specified by contract. All premiums are funded on a pay-as-you-go basis. This amount was actuarially determined, in accordance with GASB 75.

9. Supplemental Pension Plan

Under the provisions of various employee and union contracts the District provides a supplemental retirement program that offers an option between a cash payout and health insurance coverage if certain age and minimum years of service requirements are met. All premiums are funded on a pay-as-you-go basis. This amount was actuarially determined.

10. Wisconsin Retirement System Pension Benefits

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

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

11. Long-Term Obligations

In the government-wide financial statements, outstanding long-term debt and other long-term obligations are reported as liabilities.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. As required by state statute, premium and accrued interest received as part of the proceeds are recorded in the debt service fund.

12. Use of Restricted Resources

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.

13. Equity Classifications

Fund equity, representing the difference between assets and deferred outflows of resources, less liabilities and deferred inflows of resources is classified as follows in the District's financial statements:

Government-Wide Statements

Fund equity is classified as net position in the government-wide financial statements and is displayed in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is displayed as unrestricted.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

13. Equity Classifications (Continued)

Fund Financial Statements

In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that are legally or contractually required to be maintained intact. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties, constitution, or enabling legislation. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the board.

Unassigned fund balance is the residual classification for the District's general fund and includes all spendable amounts not contained in the other classifications. It is the District's policy that at the end of each fiscal year, the District will maintain unassigned portion of fund balance for cash flow of at least 15% of the General Fund expenditures.

Committed fund balance is required to be established, modified, or rescinded by resolution of the District Board prior to each year end. Based on resolution of the District Board, the District Administrator has the authority to establish or modify assigned fund balance. When restricted and unrestricted fund balance is available for an expenditure, it is the District's policy to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available for an expenditure, it is the District's policy to use committed, assigned, and finally unassigned fund balance.

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Due to the differences in the measurement focus and basis of accounting used in the governmental fund financial statements and the government-wide financial statements, certain financial transactions are treated differently. Reconciliations of governmental fund balances and changes thereto to the net position and revenues/expenses shown in the government-wide financial statements are presented on pages 9 and 11, respectively.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The debt service fund accounts for its transactions through separate and distinct bank and investment accounts as recommended by the Department of Public Instruction. In addition, the trust and agency funds use separate and distinct accounts. All other funds share in common cash and investment accounts. The District's cash and investments balances consisted solely of deposits in financial institutions and are presented in the financial statements as follows:

Governmental Funds	\$ 1,124,308
Fiduciary Funds:	87,834
Total	<u>\$ 1,212,142</u>

Deposits at Financial Institutions

The District's balances at individual financial institutions were subject to coverage under federal depository insurance and amounts appropriated by Sections 20.144(1)(a) and 34.08 of the Wisconsin Statutes (State Guarantee Fund). Federal depository insurance provides for coverage of up to \$250,000 for time and savings deposits and up to an additional \$250,000 for demand accounts. In addition, funds held for others (such as student activity funds and trust funds) are subject to coverage under the name of the organization or party for whom the funds are held. Coverage under the State Guarantee Fund may not exceed \$400,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the Wisconsin Statutes authorizes the District to collateralize its deposits that exceed the amount of coverage provided by federal depository insurance and the State Guarantee Fund.

Custodial credit risk for deposits is the risk that, in the event of bank failure, the District's deposits may not be returned. At June 30, 2019, the District's deposits were not exposed to custodial credit risk.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Capital Assets

Changes in the capital assets for the year ended June 30, 2019 were as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets Not Being Depreciated:				
Land	\$ 1,169,701	\$ -	\$ -	\$ 1,169,701
Construction Work in Process	57,170	601,226	(658,396)	-
Total Capital Assets Not Being Depreciated	1,226,871	601,226	(658,396)	1,169,701
Capital Assets Being Depreciated:				
Land Improvements	1,286,256	15,333	(9,591)	1,291,998
Buildings and Improvements	31,540,969	658,396	(453,854)	31,745,511
Furniture and Equipment	5,031,404	213,833	(46,790)	5,198,447
Total Capital Assets Being Depreciated	37,858,629	887,562	(510,235)	38,235,956
Total Capital Assets	39,085,500	1,488,788	(1,168,631)	39,405,657
Accumulated Depreciation:				
Land Improvements	642,710	50,613	(9,111)	684,212
Buildings and Improvements	6,079,904	648,310	(453,854)	6,274,360
Furniture and Equipment	3,372,244	332,415	(29,451)	3,675,208
Total Accumulated Depreciation	10,094,858	1,031,338	(492,416)	10,633,780
Governmental Activities Capital Assets Net of Accumulated Depreciation	<u>\$ 28,990,642</u>	<u>\$ 457,450</u>	<u>\$ (676,215)</u>	<u>\$ 28,771,877</u>

Depreciation was charged to governmental functions as follows:

Instruction:	
Undifferentiated Curriculum	\$ 50,204
Vocational Instruction	2,225
Co-Curricular Activities	12,120
Support Services:	
Instructional Staff Services	91,972
General Administration	1,207
Operation and Maintenance of Plant	26,349
Pupil Transportation Services	100,920
Food Service	2,272
Other Support Services	6,265
Unallocated Depreciation	737,804
Total Depreciation for Governmental Activities	<u>\$ 1,031,338</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2019 was as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Food Service Fund	\$ 20,615	Cash Deficit
Long-Term Capital Improvements Fund	General Fund	70,000	Contribution Made after YE
Total		<u>\$ 90,615</u>	

Interfund Transfers

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Purpose</u>
Debt Service Fund	General Fund	\$ 85,743	Debt Payment
Long-Term Capital Improvements Fund	General Fund	70,000	District Contribution
Food Service Fund	General Fund	5,821	Fund Deficit
North Star Cooperative Fund	General Fund	96,464	District's Share of Costs
Total		<u>\$ 258,028</u>	

D. Long-Term Obligations

Changes in Long-Term Obligations

Changes in long-term obligations of the District for the year ended June 30, 2019 were as follows:

	<u>Balances July 1, 2018</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances June 30, 2019</u>	<u>Amounts Due Within One Year</u>
General Obligation Debt:					
Bonds	\$ 19,005,000	\$ -	\$ 445,000	\$ 18,560,000	\$ 465,000
Notes	3,358,740	-	640,000	2,718,740	530,000
Unamortized Premium	643,838	-	55,168	588,670	55,168
Subtotal	<u>23,007,578</u>	<u>-</u>	<u>1,140,168</u>	<u>21,867,410</u>	<u>1,050,168</u>
Other Long-Term Obligations:					
Accrued Employee Leave	<u>122,086</u>	<u>76,360</u>	<u>75,017</u>	<u>123,429</u>	<u>-</u>
Total	<u>\$ 23,129,664</u>	<u>\$ 76,360</u>	<u>\$ 1,215,185</u>	<u>\$ 21,990,839</u>	<u>\$ 1,050,168</u>

The District's liability for its accrued employee benefits are discussed in Note 4.D.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations

General Obligation Debt

The individual long-term debt issues of the District outstanding at June 30, 2019 and their related interest requirements at that date were as follows:

	Fiscal Year	Principal	Interest	Total
General Obligation School Building and and Improvement Bonds, \$9,455,000, dated 12/26/13, payable in semi-annual installments of varying amounts with the final installment due 04/1/33, interest payable at 4.00%-4.375%	2020	\$ 465,000	\$ 352,038	\$ 817,038
	2021	485,000	333,438	818,438
	2022	505,000	312,826	817,826
	2023	525,000	291,362	816,362
	2024	545,000	269,050	814,050
	2025-2029	3,095,000	998,650	4,093,650
	2030-2033	2,965,000	320,312	3,285,312
		<u>8,585,000</u>	<u>2,877,676</u>	<u>11,462,676</u>
General Obligation Refunding Bonds, \$9,975,000, dated 4/6/15, due 4/1/35 interest at 3.00-3.75%	2020	-	331,088	331,088
	2021	-	331,088	331,088
	2022	-	331,088	331,088
	2023	-	331,088	331,088
	2024	355,000	331,088	686,088
	2025-2029	3,260,000	1,412,290	4,672,290
	2030-2034	4,655,000	859,362	5,514,362
	2035	1,705,000	55,412	1,760,412
		<u>9,975,000</u>	<u>3,982,504</u>	<u>13,957,504</u>
General Obligation Promissory Notes, \$4,045,000, dated 5/11/15, due 4/1/2024 interest at 2.00-3.00%	2020	530,000	62,750	592,750
	2021	545,000	52,150	597,150
	2022	560,000	41,250	601,250
	2023	575,000	24,450	599,450
	2024	240,000	7,200	247,200
			<u>2,450,000</u>	<u>187,800</u>
Promissory Note, \$443,740, dated 12/21/17, interest only payments until maturity on 12/21/22, interest payable at 2.75%	2020	-	8,839	8,839
	2021	-	7,391	7,391
	2022	-	7,391	7,391
	2023	268,740	7,391	276,131
			<u>268,740</u>	<u>31,012</u>
Total General Obligation Debt		<u>\$ 21,278,740</u>	<u>\$ 7,078,992</u>	<u>\$ 28,357,732</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

General Obligation Debt (Continued)

The 2018 equalized valuation of the District as certified by the Wisconsin Department of Revenue is \$371,475,089. The legal debt limit and margin of indebtedness as of June 30, 2019 in accordance with Section 67.03(1)(b) of the Wisconsin Statutes is as follows:

Debt Limit (10% of \$371,475,089)	\$ 37,147,509
Deduct Long-Term Debt Application to Debt Margin	<u>21,278,740</u>
Margin of Indebtedness	<u><u>\$ 15,868,769</u></u>

E. Temporary Notes Payable

The District maintains a line of credit with Community Bank of Cameron to be used for cash flow purposes. The District issued the line of credit on November 1, 2017, with a maximum draw limit of \$3,950,000, accruing interest at 1.00% and expiring October 31, 2018.

On September 24, 2018, the District issued a \$1,350,000 short-term promissory note with Community Bank of Cameron. The note accrues interest at 2.10% and matures September 24, 2019.

During 2018-19, the District borrowed a total of \$3,950,000 per these agreements and repaid that same amount plus \$6,603 of interest. There was no outstanding balance at June 30, 2019.

On October 28, 2019, the District issued a \$1,500,000 short-term promissory note with Community Bank of Cameron. The note accrues interest at 2.35% and matures October 28, 2020.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Governmental Fund Balances

The governmental fund balances reported on the fund financial statements at June 30, 2019 consisted of the following:

	<u>Total</u>	<u>Restricted</u>	<u>Unassigned</u>
Major Funds:			
General Fund:			
Common School Funds	\$ 2,787	\$ 2,787	\$ -
Unassigned	<u>2,116,190</u>	<u>-</u>	<u>2,116,190</u>
Total General Fund	2,118,977	2,787	2,116,190
Debt Service Fund	<u>548,799</u>	<u>548,799</u>	<u>-</u>
Subtotal Major Funds	<u>2,667,776</u>	<u>551,586</u>	<u>2,116,190</u>
Nonmajor Funds:			
Special Revenue Funds:			
Community Service Programs	8,274	8,274	-
Capital Projects Funds:			
Long-Term Capital			
Improvements Fund	<u>170,170</u>	<u>170,170</u>	<u>-</u>
Subtotal Nonmajor Funds	<u>178,444</u>	<u>178,444</u>	<u>-</u>
Total Governmental Funds			
Balances at June 30, 2019	<u><u>\$ 2,846,220</u></u>	<u><u>\$ 730,030</u></u>	<u><u>\$ 2,116,190</u></u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 4 OTHER INFORMATION

A. Wisconsin Retirement System Pension Plan Benefits

General Information about the Pension Plan

Plan Description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible state of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

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

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

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

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

The WRS also provides death and disability benefits for employees.

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. Required contributions for protective employees are the same rate as general employees.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

General Information about the Pension Plan (Continued)

Contributions (Continued). 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 fiscal year July 1, 2018 through June 30, 2019, the WRS recognized \$435,498 in contributions from the employer.

Contribution rates as of June 30, 2019 are:

	<u>Employee</u>	<u>Employer</u>
General (including Teachers)	6.55 %	6.55 %

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

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2009	(2.1)%	(42.0)%
2010	(1.3)	22.0
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

Pension Liability/Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2019, the District reported a liability of \$1,494,909 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the District's proportion was 0.04201913%, which was an increase of 0.00038863 from its proportion measured as of December 31, 2017.

For the year ended June 30, 2019, the District recognized pension expense of \$988,704. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 1,164,308	\$ (2,058,077)
Changes of Assumptions	251,987	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,183,212	-
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	-	(31,086)
District Contributions Subsequent to the Measurement Date	258,197	-
Total	<u>\$ 3,857,704</u>	<u>\$ (2,089,163)</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

Pension Liability/Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

\$258,197 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Pension Expense Amount</u>
2020	\$ 541,529
2021	132,831
2022	239,732
2023	596,252
2024	-
Thereafter	-

Actuarial assumptions. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2017
Measurement Date of Net Pension Liability (Asset):	December 31, 2018
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Inflation:	3.0%
Salary Increases:	3.1% to 8.6% including inflation
Mortality:	Wisconsin 2018 mortality table
Post-Retirement Adjustments*:	1.9%

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

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

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

Pension Liability/Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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

Asset Class	Core Asset Allocation		Variable Asset Allocation	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equities	N/A	N/A	70%	5.0%
International Equities	N/A	N/A	30%	5.9%
Global Equities	49%	5.5%	N/A	N/A
Fixed Income	24.5%	1.5%	N/A	N/A
Inflation Sensitive Assets	15.5%	1.3%	N/A	N/A
Real Estate	9%	3.9%	N/A	N/A
Private Equity/Debt	8%	6.7%	N/A	N/A
Multi-Asset	4%	4.1%	N/A	N/A
Cash	-10%	0.9%	N/A	N/A
Totals	100%		100%	

Discount rate. A single discount rate of 7.00% was used to measure the total pension liability, as opposed to a discount rate of 7.20% for the prior year. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

Pension Liability/Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Sensitivity of the District's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the District's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 5,940,924	\$ 1,494,909	\$ (1,811,048)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

B. Other Postemployment Benefit Plan

The District adopted Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. The District engaged an actuary to determine the District's liability for postemployment healthcare benefits other than pensions.

General Information about the OPEB Plan

The District offers a supplemental retirement program for certain employees which includes certain health insurance benefits. The District provides these benefits according to negotiated agreements. The amounts vary based on age, years of service, and classification of employees.

Employees Covered by Benefit Terms. At June 30, 2019, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	5
Inactive Plan Members Entitled to but not yet Receiving Benefit Payments	-
Active Plan Members	87
Total	92

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Plan (Continued)

Total OPEB Liability

The District's total OPEB liability of \$293,726 was measured as of June 30, 2018.

Actuarial Assumptions. The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.5%
Healthcare Cost Trend Rates	7.5% for 2018, decreasing 0.5% to 6.5%, then decreasing by 0.1% to 5.0% and level thereafter
Discount Rate:	3.75%
Municipal Bond Rate Source	Bond Buyer 20-Bond GO Index
Actuarial Assumptions	Based on an experience study conducted in 2015 using WRS experience from 2012-2014
Mortality Assumptions	Wisconsin 2012 Mortality Table

The discount rate was based on the Bond Buyer Go 20-year AA municipal bond rate Index published by the Federal Reserve.

The actuarial assumptions used were based on an experience study conducted in 2015 using Wisconsin Retirement System (WRS) experience from 2012-2014.

Changes in the Total OPEB Liability

	Total OPEB Liability (a)
Balance - June 30, 2018	\$ 248,923
Changes for the Year:	
Service Cost	19,048
Interest	8,856
Changes of Benefit Terms	30,587
Changes of Assumptions or Other Input	(2,868)
Benefit Payments	(10,820)
Net Changes	44,803
Balance - June 30, 2019	\$ 293,726

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Plan (Continued)

Changes in the Total OPEB Liability (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.75%) or 1-percentage-point higher (4.75%) than the current discount rate:

	June 30, 2019		
	1% Decrease (2.75%)	Current Discount Rate (3.75%)	1% Increase (4.75%)
	\$ 305,323	\$ 293,726	\$ 282,498
Total OPEB Liability	\$ 305,323	\$ 293,726	\$ 282,498

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

	June 30, 2019		
	1% Decrease (6.5% Decreasing to 4.0%)	Healthcare Cost Trend Rates (7.5% Decreasing to 5.0%)	1% Increase (8.5% Decreasing to 6.0%)
	\$ 281,260	\$ 293,726	\$ 308,014
Total OPEB Liability	\$ 281,260	\$ 293,726	\$ 308,014

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

For the year ended June 30, 2019, the District recognized OPEB expense of \$58,204. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions or Other Input District Contributions Subsequent to the Measurement Date	\$ -	\$ 2,581
Total	\$ 34,489	\$ 2,581

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Plan (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

\$34,489 reported as deferred outflows of recourse resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30:</u>	<u>OPEB Expense Amount</u>
2020	\$ (287)
2021	(287)
2022	(287)
2023	(287)
2024	(287)
Thereafter	(1,146)

C. Supplemental Pension Plan

Plan Description

The District offers a supplemental retirement program for eligible employees (the Plan), which is a single-employer defined benefit plan. The Plan's purpose is to provide retirement income to Plan members. The School District of Cameron (the District) is the administrator of the Plan. The School Board reserves the right to alter, amend, or terminate the Plan at any time for any reason, without consent.

As of June 30, 2019, employees covered by the Plan are as follows:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	14
Inactive Plan Members Entitled to but not yet Receiving Benefit Payments	-
Active Plan Members	<u>85</u>
Total	<u><u>97</u></u>

Benefits Provided

The District offers an early retirement incentive program for teachers who elect to retire and have 20 years of service in the District according to negotiated agreements. The age for eligibility for full benefits under the program is 55 or older. For each qualifying retiree, the District either makes a monthly payment or continues health insurance contributions in the amount of \$600 for a maximum of 96 months. In the event of the death of the retiree, the balance shall be paid to the surviving spouse, and in the event of the retiree having no surviving spouse, the obligation is terminated.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Supplemental Pension Plan (Continued)

Total Pension Liability

The District recognizes its total pension liability, rather than a net pension liability. In order for the District to recognize a net pension liability, assets must be accumulated in a trust that meets the following criteria:

- Contributions from the employer and nonemployer contributing entities, and the earnings thereon, must be irrevocable.
- Pension plan assets must be dedicated to providing pensions to Plan members in accordance with benefit terms.
- Pension plan assets must be legally protected from the creditors of employer, nonemployer contributing entities, the Plan administrator, and the Plan members.

No assets are accumulated in a trust that meets all of the above criteria. Accordingly, the District's total pension liability is not reduced by any assets accumulated in a trust that meets the criteria, and the District must report its total pension liability.

The District's total pension liability was determined by an actuarial valuation as of June 30, 2017, rolled forward to June 30, 2018 (the measurement date). At June 30, 2019, the District reported a total pension liability of \$1,485,112. Changes in the District's total pension liability were as follows:

Total Pension Liability - June 30, 2018	\$	1,460,395
Changes for the Year:		
Service Cost		68,622
Interest		51,045
Benefit Payments		(72,558)
Changes of Assumptions of Other Input		(22,392)
Net Changes		<u>24,717</u>
Total Pension Liability - June 30, 2019	\$	<u>1,485,112</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Supplemental Pension Plan (Continued)

Pension Costs

For the year ended June 30, 2019, the District recognized pension expense of \$111,671. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 46,148
Changes of Assumptions or Other Input	-	35,675
District Contributions Subsequent to the Measurement Date	88,224	-
Total	<u>\$ 88,224</u>	<u>\$ 81,823</u>

\$88,224 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction to the total pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Pension Expense Amount</u>
2020	\$ (7,996)
2021	(7,996)
2022	(7,996)
2023	(7,996)
2024	(7,996)
Thereafter	(41,843)

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Supplemental Pension Plan (Continued)

Actuarial Assumptions

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

Valuation Date:	June 30, 2017
Measurement Date:	June 30, 2018
Actuarial Cost Method:	Entry Age Normal (Level Percent of Salary)
Discount Rate:	3.75%
Municipal Bond Rate Source:	Bond Buyer 20-Bond Go Index
Actuarial Assumptions:	Based on an experience study conducted in 2015 using Wisconsin Retirement System (WRS) experience from 2012-14.
Mortality:	Wisconsin 2012 Mortality Table

Discount Rate

The discount rate used to measure the total pension liability was 3.75%. The discount rate is based upon all years of projected payments discounted at a municipal bond rate of 3.75%.

Total Pension Liability Sensitivity

The following presents the District's total pension liability, calculated using the discount rate of 3.75%, 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 (2.75%) or one percentage point higher (4.75%) than the current discount rate:

	1% Decrease (2.75%)	Current Discount Rate (3.75%)	1% Increase (4.75%)
Total Pension Liability	<u>\$ 1,576,788</u>	<u>\$ 1,485,112</u>	<u>\$ 1,399,035</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Vested Employee Benefits

Certified staff are paid \$80 per day up to 60 days for their unused sick leave upon retirement at age 55 and 20 years of service. Support staff are paid \$20 per day up to 60 days for their unused sick leave upon retirement at age 60 and 10 years of service. Administrators are paid \$80 per day up to 100 days for their unused sick leave upon 5 years of service. Payment of these benefits is prorated for distribution over 96 months. The District's estimated liability for this leave totaled \$123,429 at June 30, 2019.

E. Limitation on School District Revenues

Wisconsin statutes limit the amount of revenues school districts may derive from general school aids and property taxes. The annual revenue increase from these sources is based on pupil count and is limited to the amount approved by legislative action unless a higher amount has been approved by a referendum. The State has also placed a limit on the decrease in the annual revenue cap due to declining enrollments. The State further allows an exemption equal to 75% of the prior year unused allowable revenue.

This limitation does not apply to revenues 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 a referendum prior to August 12, 1993.
- A referendum on or after August 12, 1993.

F. 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; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three years.

REQUIRED SUPPLEMENTARY INFORMATION

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Local Sources:				
Property Taxes	\$ 2,258,780	\$ 2,157,618	\$ 2,157,618	\$ -
Other Local Sources	127,000	142,000	156,003	14,003
Interdistrict Sources	2,230,000	2,180,000	2,189,752	9,752
Intermediate Sources	10,000	10,000	24,665	14,665
State Sources	8,345,023	8,362,517	8,446,322	83,805
Federal Sources	487,599	487,599	567,110	79,511
Other Revenues	49,000	49,000	126,874	77,874
Total Revenues	<u>13,507,402</u>	<u>13,388,734</u>	<u>13,668,344</u>	<u>279,610</u>
EXPENDITURES				
Instruction:				
Undifferentiated Curriculum	2,894,807	2,918,807	2,883,584	35,223
Regular Curriculum	2,425,293	2,469,293	2,402,944	66,349
Vocational Curriculum	347,050	347,050	310,794	36,256
Special Curriculum	1,371,746	1,371,746	1,372,980	(1,234)
Physical Curriculum	191,710	191,710	188,487	3,223
Co-Curricular Activities	306,830	306,830	323,882	(17,052)
Other Special Needs	1,300	1,300	-	1,300
Total Instruction	<u>7,538,736</u>	<u>7,606,736</u>	<u>7,482,671</u>	<u>124,065</u>
Support Services:				
Pupil Services	431,065	431,065	443,526	(12,461)
Instructional Staff Services	1,027,333	867,333	902,570	(35,237)
General Administration	310,315	310,315	310,395	(80)
School Building Administration	593,861	593,861	586,614	7,247
Business Services	265,164	265,164	282,664	(17,500)
Operation and Maintenance of Plant	1,595,569	1,573,069	1,696,352	(123,283)
Pupil Transportation Services	479,390	479,390	442,906	36,484
Central Services	92,112	92,112	79,769	12,343
Insurance and Judgments	131,825	131,825	141,989	(10,164)
Debt Services	3,000	3,000	6,603	(3,603)
Other Support Services	148,223	262,723	283,848	(21,125)
Total Support	<u>5,077,857</u>	<u>5,009,857</u>	<u>5,177,236</u>	<u>(167,379)</u>
Nonprogram:				
Instructional Services	<u>727,500</u>	<u>637,500</u>	<u>585,389</u>	<u>52,111</u>
Total Expenditures	<u>13,344,093</u>	<u>13,254,093</u>	<u>13,245,296</u>	<u>8,797</u>
EXCESS OF REVENUES OVER EXPENDITURES	163,309	134,641	423,048	288,407
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(159,394)</u>	<u>(159,394)</u>	<u>(258,028)</u>	<u>(98,634)</u>
NET CHANGE IN FUND BALANCE	3,915	(24,753)	165,020	189,773
Fund Balance - Beginning of Year	<u>1,953,957</u>	<u>1,953,957</u>	<u>1,953,957</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,957,872</u>	<u>\$ 1,929,204</u>	<u>\$ 2,118,977</u>	<u>\$ 189,773</u>

See accompanying Notes to Required Supplementary Information.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
FOOD SERVICE FUND
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Sources:				
Other Local Sources	\$ 182,000	\$ 182,000	\$ 158,199	\$ (23,801)
State Sources	9,200	9,200	8,576	(624)
Federal Sources	263,000	263,000	255,643	(7,357)
Total Revenues	<u>454,200</u>	<u>454,200</u>	<u>422,418</u>	<u>(31,782)</u>
EXPENDITURES				
Support Services:				
Food Service	<u>459,894</u>	<u>459,894</u>	<u>428,239</u>	<u>31,655</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,694)	(5,694)	(5,821)	(127)
OTHER FINANCING SOURCES				
Transfers In	<u>5,694</u>	<u>5,694</u>	<u>5,821</u>	<u>127</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>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying Notes to Required Supplementary Information.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF CHANGE IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

Measurement Date: June 30,	2017	2018
TOTAL OPEB LIABILITY		
Service Cost	\$ 19,048	\$ 19,048
Interest	8,401	8,856
Changes of Benefit Terms	-	30,587
Changes of Assumptions or Other Input	-	(2,868)
Benefit Payments	(18,056)	(10,820)
Net Change in Total OPEB Liability	9,393	44,803
Total OPEB Liability - Beginning	239,530	248,923
Total OPEB Liability - Ending (a)	\$ 248,923	\$ 293,726
Covered-Employee Payroll	\$ 3,880,847	3,880,847
District's Total OPEB Liability as a Percentage of Covered-Employee Payroll	6.41%	7.57%

Changes of Benefit Terms. There were no changes of benefit terms for the District's OPEB plan.

Changes of Assumptions. The discount rate changed from 3.50% to 3.75%.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF WISCONSIN RETIREMENT SYSTEM NET PENSION PLAN LIABILITY (ASSET)
LAST TEN FISCAL YEARS
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

Measurement Date December 31,	2014	2015	2016	2017	2018
District's Proportion of the Net Pension Liability (Asset)	0.03867801%	0.03959736%	0.04042586%	0.04163050%	0.04201913%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ (950,038)	\$ 643,449	\$ 333,206	\$ (1,236,059)	\$ 1,494,909
District's Covered Payroll	\$ 5,466,518	\$ 5,725,386	\$ 6,065,517	\$ 6,325,249	\$ 6,381,940
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	17.38%	11.24%	5.49%	19.54%	23.42%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	102.74%	98.20%	99.12%	102.93%	96.45%

See accompanying Notes to Required Supplementary Information.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF DISTRICT'S CONTRIBUTIONS TO WISCONSIN RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

Fiscal Year Ended: June 30,	2015	2016	2017	2018	2019
Contractually Required Contribution	\$ 382,032	\$ 397,710	\$ 419,645	\$ 427,719	\$ 435,498
Contributions in Relation to the Contractually Required Contributions	(382,032)	(397,710)	(419,645)	(427,719)	(435,498)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 5,552,127	\$ 5,952,668	\$ 6,245,658	\$ 6,344,918	\$ 6,588,226
Contributions as a Percentage of Covered Payroll	6.88%	6.68%	6.72%	6.74%	6.61%

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

Changes of Assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total Pension Liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

See accompanying Notes to Required Supplementary Information.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF CHANGES IN THE DISTRICT'S SUPPLEMENTAL
PENSION PLAN LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

Measurement Date: June 30,	<u>2016</u>	<u>2017</u>	<u>2018</u>
TOTAL PENSION LIABILITY			
Service Cost	\$ 72,085	\$ 72,085	\$ 68,622
Interest	43,058	44,568	51,045
Benefit Payments	(65,134)	(64,496)	(72,558)
Differences Between Expected and Actual Experience	-	(55,378)	-
Changes of Assumptions of Other Input	-	(18,179)	(22,392)
Net Changes	<u>50,009</u>	<u>(21,400)</u>	<u>24,717</u>
Total Pension Liability - Beginning	<u>1,431,786</u>	<u>1,481,795</u>	<u>1,460,395</u>
Total Pension Liability - Ending	<u>\$ 1,481,795</u>	<u>\$ 1,460,395</u>	<u>\$ 1,485,112</u>
Covered Payroll	4,472,700	4,691,476	4,691,476
Total Pension Liability as a Percentage of Covered Payroll	33.13%	31.13%	31.66%

Changes of Benefit Terms. There were no changes of benefit terms.

Changes of Assumptions: The discount rate changed from 3.5% to 3.75%.

Note:

No assets are accumulated in a trust that meets all of the following criteria of GASBS No. 73, paragraph 4:

- Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.
- Plan assets must be dedicated to providing pensions to Plan members in accordance with the benefit terms.
- Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the Plan administrator, and Plan members.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2019**

NOTE 1 BUDGETARY INFORMATION

GASB Statement No. 34 requires the presentation of budgetary comparison schedules for the general fund and for each major special revenue fund. Budgetary information for the general fund and the food service fund is derived from the District's annual operating budget.

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

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

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

Budget amounts in the financial statements include both original adopted budget and the final budget. The District made changes to its adopted budget for the general fund but did not make any changes to its adopted budget for the food service fund.

NOTE 2 EXCESS OF EXPENDITURES OVER BUDGET

Comparisons of actual revenues and expenditures to budgeted amounts for the District's general fund and each major special revenue fund are presented as required supplementary information following the notes to the basic financial statements. Expenditures in excess of budgeted amounts at the legally adopted levels for each of these funds are shown in those schedules.

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
COMBINING BUDGETARY COMPARISON SCHEDULE
FUND 10 AND FUND 27
YEAR ENDED JUNE 30, 2019**

	Original Budgets				Final Budgets				Actuals			
	Fund 10 General	Fund 27 Special	Eliminations	Combined	Fund 10 General	Fund 27 Special	Eliminations	Combined	Fund 10 General	Fund 27 Special	Eliminations	Combined
	Fund	Education Fund			Fund	Education Fund			Fund	Education Fund		
REVENUES												
Local Sources:												
Property Taxes	\$ 2,258,780	\$ -	\$ -	\$ 2,258,780	\$ 2,157,618	\$ -	\$ -	\$ 2,157,618	\$ 2,157,618	\$ -	\$ -	\$ 2,157,618
Other Local Sources	127,000	-	-	127,000	142,000	-	-	142,000	156,003	-	-	156,003
Interdistrict Sources	2,230,000	-	-	2,230,000	2,180,000	-	-	2,180,000	2,189,752	-	-	2,189,752
Intermediate Sources	10,000	-	-	10,000	10,000	-	-	10,000	12,816	11,849	-	24,665
State Sources	7,973,523	371,500	-	8,345,023	7,991,017	371,500	-	8,362,517	8,087,799	358,523	-	8,446,322
Federal Sources	196,464	291,135	-	487,599	196,464	291,135	-	487,599	221,533	345,577	-	567,110
Other Revenues	49,000	-	-	49,000	49,000	-	-	49,000	126,874	-	-	126,874
Total Revenues	12,844,767	662,635	-	13,507,402	12,726,099	662,635	-	13,388,734	12,952,395	715,949	-	13,668,344
EXPENDITURES												
Instruction:												
Undifferentiated Curriculum	2,894,807	-	-	2,894,807	2,918,807	-	-	2,918,807	2,883,584	-	-	2,883,584
Regular Curriculum	2,425,293	-	-	2,425,293	2,469,293	-	-	2,469,293	2,402,944	-	-	2,402,944
Vocational Curriculum	347,050	-	-	347,050	347,050	-	-	347,050	310,794	-	-	310,794
Special Curriculum	-	1,371,746	-	1,371,746	-	1,371,746	-	1,371,746	-	1,372,980	-	1,372,980
Physical Curriculum	191,710	-	-	191,710	191,710	-	-	191,710	188,487	-	-	188,487
Co-Curricular Activities	306,830	-	-	306,830	306,830	-	-	306,830	323,882	-	-	323,882
Other Special Needs	1,300	-	-	1,300	1,300	-	-	1,300	-	-	-	-
Total Instruction	6,166,990	1,371,746	-	7,538,736	6,234,990	1,371,746	-	7,606,736	6,109,691	1,372,980	-	7,482,671
Support Services:												
Pupil Services	241,336	189,729	-	431,065	241,336	189,729	-	431,065	231,751	211,775	-	443,526
Instructional Staff Services	916,252	111,081	-	1,027,333	756,252	111,081	-	867,333	793,863	108,707	-	902,570
General Administration	310,315	-	-	310,315	310,315	-	-	310,315	310,395	-	-	310,395
School Building Administration	593,861	-	-	593,861	593,861	-	-	593,861	586,614	-	-	586,614
Business Services	265,164	-	-	265,164	265,164	-	-	265,164	247,606	35,058	-	282,664
Operation and Maintenance of Plant	1,595,569	-	-	1,595,569	1,573,069	-	-	1,573,069	1,696,352	-	-	1,696,352
Pupil Transportation Services	446,012	33,378	-	479,390	446,012	33,378	-	479,390	442,906	-	-	442,906
Central Services	88,112	4,000	-	92,112	88,112	4,000	-	92,112	79,669	100	-	79,769
Insurance and Judgments	131,825	-	-	131,825	131,825	-	-	131,825	141,989	-	-	141,989
Debt Services	3,000	-	-	3,000	3,000	-	-	3,000	6,603	-	-	6,603
Other Support Services	148,223	-	-	148,223	262,723	-	-	262,723	281,682	2,166	-	283,848
Total Support	4,739,669	338,188	-	5,077,857	4,671,669	338,188	-	5,009,857	4,819,430	357,806	-	5,177,236
Nonprogram:												
Instructional Services	668,000	59,500	-	727,500	578,000	59,500	-	637,500	512,760	72,629	-	585,389
Total Expenditures	11,574,659	1,769,434	-	13,344,093	11,484,659	1,769,434	-	13,254,093	11,441,881	1,803,415	-	13,245,296
EXCESS OF REVENUES OVER EXPENDITURES	1,270,108	(1,106,799)	-	163,309	1,241,440	(1,106,799)	-	134,641	1,510,514	(1,087,466)	-	423,048
OTHER FINANCING SOURCES (USES)												
Transfers In	-	1,106,799	(1,106,799)	-	-	1,106,799	(1,106,799)	-	-	1,087,466	(1,087,466)	-
Transfers Out	(1,266,193)	-	1,106,799	(159,394)	(1,266,193)	-	1,106,799	(159,394)	(1,345,494)	-	1,087,466	(258,028)
Total Other Financing Sources (Uses)	(1,266,193)	1,106,799	-	(159,394)	(1,266,193)	1,106,799	-	(159,394)	(1,345,494)	1,087,466	-	(258,028)
NET CHANGE IN FUND BALANCE	3,915	-	-	3,915	(24,753)	-	-	(24,753)	165,020	-	-	165,020
Fund Balance - Beginning of Year	1,953,957	-	-	1,953,957	1,953,957	-	-	1,953,957	1,953,957	-	-	1,953,957
FUND BALANCE - END OF YEAR	<u>\$ 1,957,872</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,957,872</u>	<u>\$ 1,929,204</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,929,204</u>	<u>\$ 2,118,977</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,118,977</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
FUND 10
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Sources:				
Property Taxes	\$ 2,258,780	\$ 2,157,618	\$ 2,157,618	\$ -
Other Local Sources	127,000	142,000	156,003	14,003
Interdistrict Sources	2,230,000	2,180,000	2,189,752	9,752
Intermediate Sources	10,000	10,000	12,816	2,816
State Sources	7,973,523	7,991,017	8,087,799	96,782
Federal Sources	196,464	196,464	221,533	25,069
Other Sources	49,000	49,000	126,874	77,874
Total Revenues	<u>12,844,767</u>	<u>12,726,099</u>	<u>12,952,395</u>	<u>226,296</u>
EXPENDITURES				
Instruction:				
Undifferentiated Curriculum	2,894,807	2,918,807	2,883,584	35,223
Regular Curriculum	2,425,293	2,469,293	2,402,944	66,349
Vocational Curriculum	347,050	347,050	310,794	36,256
Physical Curriculum	191,710	191,710	188,487	3,223
Co-Curricular Activities	306,830	306,830	323,882	(17,052)
Other Special Needs	1,300	1,300	-	1,300
Total Instruction	<u>6,166,990</u>	<u>6,234,990</u>	<u>6,109,691</u>	<u>125,299</u>
Support Services:				
Pupil Services	241,336	241,336	231,751	9,585
Instructional Staff Services	916,252	756,252	793,863	(37,611)
General Administration	310,315	310,315	310,395	(80)
School Building Administration	593,861	593,861	586,614	7,247
Business Administration	265,164	265,164	247,606	17,558
Operations and Maintenance	1,595,569	1,573,069	1,696,352	(123,283)
Pupil Transportation	446,012	446,012	442,906	3,106
Central Services	88,112	88,112	79,669	8,443
Insurance and Judgments	131,825	131,825	141,989	(10,164)
Debt Services	3,000	3,000	6,603	(3,603)
Other Support Services	148,223	262,723	281,682	(18,959)
Total Support Services	<u>4,739,669</u>	<u>4,671,669</u>	<u>4,819,430</u>	<u>(147,761)</u>
Nonprogram:				
Instructional Services	668,000	578,000	512,760	65,240
Total Expenditures	<u>11,574,659</u>	<u>11,484,659</u>	<u>11,441,881</u>	<u>42,778</u>
EXCESS OF REVENUES OVER EXPENDITURES	1,270,108	1,241,440	1,510,514	269,074
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(1,266,193)</u>	<u>(1,266,193)</u>	<u>(1,345,494)</u>	<u>(79,301)</u>
NET CHANGE IN FUND BALANCE	3,915	(24,753)	165,020	189,773
Fund Balance - Beginning of Year	<u>1,953,957</u>	<u>1,953,957</u>	<u>1,953,957</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,957,872</u>	<u>\$ 1,929,204</u>	<u>\$ 2,118,977</u>	<u>\$ 189,773</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
FUND 27
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intermediate Sources	\$ -	\$ -	\$ 11,849	\$ 11,849
State Sources	371,500	371,500	358,523	(12,977)
Federal Sources	291,135	291,135	345,577	54,442
Total Revenues	<u>662,635</u>	<u>662,635</u>	<u>715,949</u>	<u>53,314</u>
EXPENDITURES				
Instruction:				
Special Curriculum	1,371,746	1,371,746	1,372,980	(1,234)
Support Services:				
Pupil Services	189,729	189,729	211,775	(22,046)
Instructional Staff Services	111,081	111,081	108,707	2,374
Pupil Transportation	33,378	33,378	35,058	(1,680)
Central Services	4,000	4,000	100	3,900
Other Support Services	-	-	2,166	(2,166)
Total Support Services	<u>338,188</u>	<u>338,188</u>	<u>357,806</u>	<u>(19,618)</u>
Nonprogram:				
Instructional Services	<u>59,500</u>	<u>59,500</u>	<u>72,629</u>	<u>(13,129)</u>
Total Expenditures	<u>1,769,434</u>	<u>1,769,434</u>	<u>1,803,415</u>	<u>(33,981)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,106,799)	(1,106,799)	(1,087,466)	19,333
OTHER FINANCING SOURCES				
Transfers In	<u>1,106,799</u>	<u>1,106,799</u>	<u>1,087,466</u>	<u>(19,333)</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>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2019**

	<u>Special Revenue Funds</u>		<u>Long-Term Capital Improvements Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Community Services</u>	<u>North Star Academy Cooperative</u>		
ASSETS				
Cash and Investments	\$ 8,345	\$ 1,979	\$ 100,170	\$ 110,494
Due from Other Funds	-	-	70,000	70,000
Total Assets	<u>\$ 8,345</u>	<u>\$ 1,979</u>	<u>\$ 170,170</u>	<u>\$ 180,494</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	\$ 847	\$ -	\$ 847
Accrued Salaries and Wages	71	1,132	-	1,203
Total Liabilities	<u>71</u>	<u>1,979</u>	<u>-</u>	<u>2,050</u>
FUND BALANCES				
Restricted	<u>8,274</u>	<u>-</u>	<u>170,170</u>	<u>178,444</u>
Total Liabilities and Fund Balances	<u>\$ 8,345</u>	<u>\$ 1,979</u>	<u>\$ 170,170</u>	<u>\$ 180,494</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES
YEAR ENDED JUNE 30, 2019**

	Special Revenue Funds		Long-Term Capital Improvements Fund	Total Nonmajor Governmental Funds
	Community Service	North Star Academy Cooperative		
REVENUES				
Local Sources:				
Property Taxes	\$ 86,872	\$ -	\$ -	\$ 86,872
Other Local Sources	-	-	554	554
Interdistrict Sources	-	193,038	-	193,038
Other Sources	-	2,537	-	2,537
Total Revenues	<u>86,872</u>	<u>195,575</u>	<u>554</u>	<u>283,001</u>
EXPENDITURES				
Instruction:				
Regular Instruction	-	242,277	-	242,277
Support Services:				
Instructional Staff Services	-	7,200	-	7,200
Operation and Maintenance of Plant	-	16,364	-	16,364
Facilities Acquisition/Remodeling	-	19,332	-	19,332
Pupil Transportation	3,375	-	-	3,375
Central Services	-	4,324	-	4,324
Insurance and Judgements	-	2,542	-	2,542
Community Services	94,985	-	-	94,985
Total Expenditures	<u>98,360</u>	<u>292,039</u>	<u>-</u>	<u>390,399</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(11,488)	(96,464)	554	(107,398)
OTHER FINANCING SOURCES				
Transfers In	-	96,464	70,000	166,464
NET CHANGE IN FUND BALANCES	(11,488)	-	70,554	59,066
Fund Balances - Beginning of Year	19,762	-	99,616	119,378
FUND BALANCES - END OF YEAR	<u>\$ 8,274</u>	<u>\$ -</u>	<u>\$ 170,170</u>	<u>\$ 178,444</u>

SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
DEBT SERVICE FUND
COMBINING BALANCE SHEET
JUNE 30, 2019

	<u>Referendum Debt Service</u>	<u>Nonreferendum Debt Service</u>	<u>Total Debt Service Fund</u>
ASSETS			
Cash and Investments	<u>\$ 548,799</u>	<u>\$ -</u>	<u>\$ 548,799</u>
FUND BALANCES			
Restricted	<u>\$ 548,799</u>	<u>\$ -</u>	<u>\$ 548,799</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
DEBT SERVICE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES
YEAR ENDED JUNE 30, 2019**

	<u>Referendum Debt Service</u>	<u>Nonreferendum Debt Service</u>	<u>Total Debt Service Fund</u>
REVENUES			
Local Sources:			
Property Taxes	\$ 1,770,425	\$ -	\$ 1,770,425
EXPENDITURES			
Debt Service:			
Principal Retirement	1,010,000	75,000	1,085,000
Interest and Fiscal Fees	776,475	10,743	787,218
Total Expenditures	<u>1,786,475</u>	<u>85,743</u>	<u>1,872,218</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(16,050)	(85,743)	(101,793)
OTHER FINANCING SOURCES			
Transfer In	<u>-</u>	<u>85,743</u>	<u>85,743</u>
NET CHANGE IN FUND BALANCES	(16,050)	-	(16,050)
Fund Balances - Beginning of Year	<u>564,849</u>	<u>-</u>	<u>564,849</u>
FUND BALANCES - END OF YEAR	<u>\$ 548,799</u>	<u>\$ -</u>	<u>\$ 548,799</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
STUDENT ACTIVITY FUND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS AND CHANGE IN BALANCES
YEAR ENDED JUNE 30, 2019**

<u>Organization</u>	Balance July 1, 2018	Receipts	Disbursements	Balance June 30, 2019
Band	\$ 3,988	\$ 11,186	\$ 8,358	\$ 6,816
CALC	12,865	39,777	42,655	9,987
Class of 2019	2,181	1,101	3,282	-
Class of 2020	330	2,480	1,159	1,651
Class of 2021	300	380	-	680
Class of 2022	-	310	-	310
Elementary Assembly Programs	1,499	741	779	1,461
Elementary Humanitarian Fund	326	-	77	249
Elementary IMC Fines	411	124	-	535
Elementary PTO	23,848	25,030	34,092	14,786
Elementary Student Celebration	411	490	582	319
FBLA	2,267	3,986	4,345	1,908
FCCLA	374	806	234	946
FFA	4,999	12,606	14,843	2,762
Fine Arts Awards/Art Club	5,943	7,091	5,942	7,092
General Account	1,494	1,804	1,225	2,073
Girls Basketball Spirit of Christmas	177	5,898	6,075	-
High School PBIS	1,041	6,167	4,176	3,032
High School Faculty Coke Fund	1,363	219	356	1,226
High School LMC Fines	409	211	24	596
High School Student Coke	4,916	5,647	4,954	5,609
High School Student Council	1,956	1,425	1,023	2,358
High School Yearbook	214	3,999	4,008	205
Lakeland Conference Wrestling	1,761	1,105	1,120	1,746
Middle School Book Fair	745	2,624	3,002	367
Middle School Vending	211	626	486	351
Middle School LMC Fines	58	102	-	160
Middle School PTO	3,639	2,039	4,085	1,593
Middle School Science	414	-	-	414
Middle School Faculty Pepsi Fund	1,350	8,114	9,301	163
Middle School Student Council	1,175	1,770	1,727	1,218
Middle School/High School Sunshine Fund	2,704	310	300	2,714
Middle School Yearbook	469	1,008	682	795
National Honor Society	2,072	5,093	2,993	4,172
Pom Pons	666	5,986	5,697	955
Prod Tech	109	2,915	2,533	491
Recycling	128	-	-	128
Relay for Life	-	394	67	327
RIF	7	1,576	1,511	72
Spanish Club	1,994	7,149	5,582	3,561
Veteran's Plaza	2,923	125	1,662	1,386
WEA Wellness Grant	166	2,652	2,448	370
Total	\$ 91,903	\$ 175,066	\$ 181,385	\$ 85,584

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
CHARTER SCHOOL AUTHORIZER ANNUAL REPORT
YEAR ENDED JUNE 30, 2019**

SECTION I: AUTHORIZER INFORMATION

Authorizing Entity: School District of Cameron
 Authorizer Address: 700 S 1st St, Cameron, WI
 Authorizer Contact Person: Joe Leschisin
 Contact Person Title: District Administrator
 Contact Person Phone: 715-458-4560, ext 5600
 Contact Person Email: jleschisin@cameron.k12.wi.us

SECTION II: CHARTER SCHOOL INFORMATION

Charter Schools Currently Under Contract:

School Name:	Contract Start Date:	Contract Expiration Date:	Grades Served:
Cameron Academy of Virtual Education (CAVE)	9/1/2015	9/1/2020	K-12
North Star Academy	7/1/2015	6/30/2020	9-12

SECTION III: ACADEMIC PERFORMANCE OF CHARTER SCHOOLS

North Star Academy

During the 2018-2019 school year, North Star Academy served a total of 54 students in grades 9 – 12. The school had a graduation rate of 80.00% (27 graduates). 100% of students tested were proficient or showed progress in Reading/Language Arts and 95 % of students tested were proficient or showed progress in Math in accordance with the North Star Academy Alternate Accountability structure.

Cameron Academy of Virtual Education (CAVE)

By the end of the 2018-2019 school year, the Cameron Academy of Virtual Education was serving a total of 105 students in grades K - 12. 40 students attended in grades PreK-5, 17 students attended in grades 6-8 and 48 students attended in grades 9-12. Of the twelve seniors enrolled in the program, nine graduated. For the 2018-2019 school year, the Cameron Academy of Virtual Education had 82.0% open enrollment in which 34% of the students were economically disadvantaged.

SECTION IV: FINANCIAL PERFORMANCE OF CHARTER SCHOOLS

North Star Academy

North Star Academy is a cooperative program between four school districts. Cameron is the chartering agent, but the program members also include the Chetek-Weyerhaeuser School District, Barron Area School District and the Turtle Lake School District. The annual budget is established by an independent school board comprised of individuals representing all four school districts. The budget is established through 66.0301 contracts with each of the four districts and expenditures are set to balance all revenues with expenditures. Revenues for the program in the 2018-19 school year totaled \$292,038.00. Since the program is not allowed to carry any type of fund balance, the expenditures also totaled \$292,038.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
CHARTER SCHOOL AUTHORIZER ANNUAL REPORT (CONTINUED)
YEAR ENDED JUNE 30, 2019**

SECTION IV: FINANCIAL PERFORMANCE OF CHARTER SCHOOLS (CONTINUED)

Cameron Academy of Virtual Education (CAVE)

As stated in Section 5.11 of the charter contract that is in place for this program:

In return for the state aids generated by the Charter School, the District agrees to provide an annual discretionary allocation per student for students enrolled as of the Third Friday of September equal to the District allocation for high school students. In addition, an annual sum will be provided to the Charter for curriculum support services in lieu of the assignment of program specialist teachers. Finally an allocation will be provided to the Charter for office costs including copier support. The District will pay no less than \$5,800 per pupil to the Charter School. The per pupil allocation will include any federal funding for which the charter school is eligible.

With 80 students enrolled with the CAVE program initially in the fall of 2018, a budget was adopted in the amount of \$467,835. At a per student revenue of \$5,800, the anticipated revenue for the program was \$467,835. This equated to a balanced budget for the program. Actual expenditures for the year totaled \$485,416.64.

However, CAVE ended the 2018-19 school year with 86 open enrolled students. The District received a per student revenue of \$7,379 for approximately 70 of the students and lesser amounts for remaining students due to partial year enrollments. Thus, total revenue for the District from open-enrolled students within CAVE equated to approximately \$575,000. The difference between the total open enrollment revenue and expenditures for the District resulted in a margin of approximately \$90,000. This amount was used to offset other expenditures related to facilities, copying, supplies, utilities, and administrative support services.

SECTION V: OTHER CONTRACT TERMS AND EXPECTATIONS (OPTIONAL)

None.

SECTION VI: AUTHORIZER OPERATING COSTS

North Star Academy

OPERATING ACTIVITY	WUFAR OBJECT CODE	COST
EMPLOYEE SALARIES	100	\$ 201,516
EMPLOYEE BENEFITS	200	27,738
PURCHASED SERVICES	300	33,051
NON-CAPITAL OBJECTS	400	6,162
CAPITAL OBJECTS	500	20,879
INSURANCE & JUDGEMENTS	700	2,542
OTHER	900	150
TOTAL		\$ 292,038

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
CHARTER SCHOOL AUTHORIZER ANNUAL REPORT (CONTINUED)
YEAR ENDED JUNE 30, 2019**

SECTION VI: AUTHORIZER OPERATING COSTS (CONTINUED)

Cameron Academy of Virtual Education (CAVE)

OPERATING ACTIVITY	WUFAR OBJECT CODE	COST
EMPLOYEE SALARIES	100	\$ 304,497
EMPLOYEE BENEFITS	200	54,229
PURCHASED SERVICES	300	20,423
NONCAPITAL OBJECTS	400	84,262
CAPITAL OBJECTS	500	24,711
TOTAL		\$ 488,122

SECTION VII: SERVICES PROVIDED TO CHARTER SCHOOLS

North Star Academy

SERVICES PROVIDED	FUNCTION CODE	COST
BUSINESS SERVICES	252000	\$ 3,000

Cameron Academy of Virtual Education (CAVE)

SERVICES PROVIDED	FUNCTION CODE	COST
REGULAR CURRICULUM	120000	\$ 112,996
OTHER INSTRUCTION STAFF SUPERVISION	223900	375,126
TOTAL		\$ 488,122

SINGLE AUDIT SECTION

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal Grantor/ Pass-Through Grantor/Program Title	Federal CFDA #	Pass-Through Entity	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Accrued Receivable (Deferred Revenue) July 1, 2018	Adjustments	Expenditures	Grant Reimburse- ments	Accrued Receivable (Deferred Revenue) June 30, 2019
<u>U.S. Department of Agriculture</u>									
Child Nutrition Cluster:									
School Breakfast Program	10.553	WI DPI	2019-030903-SB-Severe-546	\$ -	\$ 6,160	\$ -	\$ 42,932	\$ 42,732	\$ 6,360
National School Lunch Program:	10.555								
National School Lunch Program		WI DPI	2019-030903-NSL-547	-	23,673	-	176,210	173,766	26,117
Food Distribution		WI DPI	A001-00000-030903	-	-	-	26,901	26,901	-
Snack Program		WI DPI	2019-030903-NSL-Snacks-561	-	-	-	977	789	188
Total National School Lunch Program (CFDA 10.555)				-	23,673	-	204,088	201,456	26,305
Special Milk Program for Children	10.556	WI DPI	2018-030903-SMP-548	-	98	-	-	98	-
Summer Food Service Program	10.559	WI DPI	2019-030903-SFSP-586	-	2,689	-	8,623	8,127	3,185
Total Child Nutrition Cluster				-	32,620	-	255,643	252,413	35,850
<u>U.S. Department of Education</u>									
Title I Cluster:									
Title I Grants to Local Educational Agencies	84.010								
Title I-A Basic Grants		WI DPI	2019-030903-TIA-141	-	36,183	-	133,630	143,360	26,453
Comprehensive Supports and Improvements (CSI)		WI DPI	2019-030903-CSI-145	-	-	-	16,899	-	16,899
Total Title I Cluster				-	36,183	-	150,529	143,360	43,352
Special Education Cluster:									
Special Education Grants to States:	84.027								
High Cost Special Education Aid		WI DPI	2019-030903-IDEA-342	-	-	-	7,455	7,455	-
IDEA-Title I Schoolwide		WI DPI	2019-030903-IDEA-FT-341	-	13,396	-	16,015	13,396	16,015
IDEA Flow Through		WI DPI	2019-030903-IDEA-FT-341	-	160,305	4,039	257,032	164,344	257,032
Total Special Education Grants to States				-	173,701	4,039	280,502	185,195	273,047
Special Education Preschool Grants (IDEA Preschool Entitlement)	84.173	WI DPI	2019-030903-IDEA-PS-347	-	2,919	-	9,665	2,919	9,665
Total Special Education Cluster				-	176,620	-	290,167	188,114	282,712
Improving Teacher Quality State Grants	84.367	WI DPI	2019-030903-TIIA-365	-	6,682	-	24,526	24,089	7,119
Student Support and Academic Enrichment Grants	84.424	WI DPI	2019-030903-TIVA-381	-	-	-	19,516	19,516	-
Total Department of Education				-	219,485	4,039	484,738	375,079	333,183
<u>U.S. Department of Health and Human Services</u>									
Medicaid Cluster - School Based Services	93.778	WI DHS	Provider #44235700	-	8,600	-	69,732	78,332	-
Total Federal Program Awards				\$ -	\$ 260,705	\$ 4,039	\$ 810,113	\$ 705,824	\$ 369,033

See Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2019**

Award Agency/ Pass-Through Agency/Award Description	State I.D. Number	State Grant Number	Accrued Receivable (Deferred Revenue) July 1, 2018	State Expenditures	State Reimburse- ments	Accrued Receivable (Deferred Revenue) June 30, 2019
<u>Wisconsin Department of Public Instruction</u>						
Major State Programs:						
General Equalization	255.201	030903-116	\$ 110,112	\$ 6,945,208	\$ 6,939,171	\$ 116,149
Student Achievement Guarantee in Education	255.504	030903-160	-	354,181	354,181	-
Per Pupil Aid	255.945	030903-113	-	590,562	590,562	-
Total Major Programs			110,112	7,889,951	7,883,914	116,149
Nonmajor State Programs:						
Handicapped Pupils and School Age Parents:	255.101	030903-100	[1]			
Internal District Programs			-	330,636	330,636	-
Participant in Package Program at CESA No. 11			-	11,849	11,849	-
Total Handicapped Program			-	342,485	342,485	-
State Lunch	255.102	030903-107	-	4,730	4,730	-
Common School Fund	255.103	030903-104	-	30,762	30,762	-
Pupil Transportation	255.107	030903-102	-	27,189	27,189	-
Morning Milk Program	255.115	030903-109	-	1,858	1,858	-
High Cost Special Education	255.210	030903-119	-	27,887	27,887	-
Personal Electronic Computing Device	255.296	030903-175	-	7,375	7,375	-
School Breakfast Program	255.344	030903-108	-	1,988	1,988	-
Educator Effectiveness	255.940	030903-154	-	7,280	7,280	-
Career and Technical Education Incentive Grant	255.950	030903-152	-	6,000	6,000	-
Assessment of Reading Readiness	255.956	030903-166	-	2,298	2,298	-
<u>Wisconsin Department of Workforce Development</u>						
Youth Apprenticeship Grant	445.107	CESA #11	-	7,595	7,595	-
<u>Wisconsin Department of Justice</u>						
School Safety Grant	455.206	2018-SSI-01-14619, 2018-SSI-01-13701	-	81,593	57,561	24,032
Total Nonmajor Programs			-	549,040	525,008	24,032
Total State Financial Assistance			\$ 110,112	\$ 8,438,991	\$ 8,408,922	\$ 140,181

[1] District's 2018-2019 Aidable Costs Reported to DPI Totaled \$1,436,979.

See Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2019**

NOTE 1 GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance present the expenditures of all federal financial assistance programs and state financial assistance of the District subject to inclusion under the federal and state single audit requirements. The reporting entity is defined in Note 1 to the financial statements.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the modified accrual basis of accounting, which is described in Note 1 to the District's financial statements.

NOTE 3 FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed for the USDA Commodities Program (CFDA #10.555).

NOTE 4 INDIRECT COSTS

The District has not elected to use the 10% de minimis indirect cost rate.

NOTE 5 MEDICAL ASSISTANCE

Expenditures presented for the Medicaid School Based Services (SBS) Benefit represent only the federal funds for the program that the District receives from the Department of Health Services (DHS). District records should be consulted to determine the total amount expended for this program.



**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
School District of Cameron
Cameron, Wisconsin

We have audited, in accordance with auditing standards generally accepted in the United States of America and 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 School District of Cameron, Wisconsin (District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 5, 2019.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings as items 2019-001 through 2019-003 that we consider to be material weaknesses.

Compliance and Other Matters

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

School District of Cameron's Response to Findings

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
November 5, 2019



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

Board of Education
School District of Cameron
Cameron, Wisconsin

Report on Compliance for Each Major Federal and State Program

We have audited School District of Cameron, Wisconsin's (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2019. We have also audited the District's compliance with types of compliance requirements described in the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration that are applicable to each of its major state programs (including federal programs required to be tested as major state programs) for the same period. The District's major federal programs and major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our unmodified opinion on compliance for major state programs. However, our audit does not provide a legal determination on the District's compliance.

Basis for Qualified Opinion on Federal Major Programs – Child Nutrition Cluster (CFDA #10.553, 10.555, 10.556, 10.559) and Special Education Cluster (CFDA #84.027, 84.173)

As described in the accompanying schedule of findings, the District did not comply with requirements regarding Federal Major Programs – Child Nutrition Cluster and Special Education Cluster as described in finding 2019-004. Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to these programs.

Qualified Opinion on Federal Major Programs – Child Nutrition Cluster (CFDA #10.553, 10.555, 10.556, 10.559) and Special Education Cluster (CFDA #84.027, 84.173)

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Federal Major Programs – Child Nutrition Cluster and Special Education Cluster for the year ended June 30, 2019.

Unmodified Opinion on Each of the Other Major Federal and State Programs

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal and state programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

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

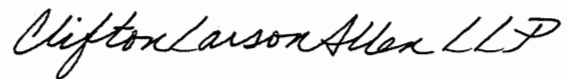
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

Board of Education
School District of Cameron

deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2019-004 that we consider to be a material weakness.

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 result of that testing based on the requirements of the *Uniform Guidance* and *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Eau Claire, Wisconsin
November 5, 2019

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF FINDINGS
YEAR ENDED JUNE 30, 2019**

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? x yes no
 - Significant deficiency(ies) identified that are not considered to be material weaknesses? 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? x yes no
 - Significant deficiency(ies) identified that are not considered to be material weaknesses? yes x none reported
2. Type of auditors' report issued on compliance for major programs: Qualified
3. Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? x yes no

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
10.553, 10.555, 10.559	Child Nutrition Cluster
84.027, 84.173	Special Education Cluster

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? yes X no

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF FINDINGS (CONTINUED)
YEAR ENDED JUNE 30, 2019**

Section I – Summary of Auditors' Results (Continued)

State Awards

1. Internal control over major programs:

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

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

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

Identification of Major State Programs

State ID Number(s)	Name of State Program or Cluster
255.201	General Equalization Aids
255.504	Student Achievement Guarantee in Education (SAGE)
255.945	Per Pupil Aid

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

Auditee qualified as low-risk auditee? _____ yes X

SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF FINDINGS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Section I – Summary of Auditors' Results (Continued)

Other Issues

1. Do the auditors' report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? No

2. Does the auditors' report show audit issues (i.e., material noncompliance, nonmaterial noncompliance, questioned costs, material weaknesses, significant deficiencies, management letter comments, excess revenue or excess reserve) related to grants or contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

Department of Public Instruction No
Department of Health Services 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 Principal


April L. Anderson, CPA

5. Date of Report

November 5, 2019

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF FINDINGS (CONTINUED)
YEAR ENDED JUNE 30, 2019**

Section II – Findings Related to the Financial Statements

FINDING: 2019-001 Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP)

Criteria: The District is responsible for establishing and maintaining internal controls and for the fair presentation of the financial statements including related disclosures, in conformity with U.S. Generally Accepted Accounting Principles (GAAP).

Condition: The District does not have an internal control policy in place over annual financial reporting that would enable management to conclude its annual financial statements and related footnote disclosures are complete and presented in accordance with GAAP.

Context: The District has made the decision due to cost and other considerations to outsource the preparation of the annual financial statements including footnote disclosures.

Cause: The District relies on the audit firm to prepare the annual financial statements and related footnote disclosures. However, they have designated an individual with suitable skill, knowledge, or experience to oversee their preparation and have reviewed, approved and accepted responsibility for the annual financial statements and the related footnote disclosures.

Effect: The potential exists that a material misstatement of the annual financial statements could occur and not be prevented or detected by the District's internal controls.

Recommendation: The District should continue to evaluate their internal staff capacity to determine if an internal control policy over the annual financial reporting is beneficial.

Actions Planned in Response to Finding: The District will continue to rely upon the audit firm to prepare the financial statements and related footnote disclosures and will review and approve these prior to the issuance of the annual financial statements. The District Administrator is the official responsible for ensuring corrective action of the deficiency.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF FINDINGS (CONTINUED)
YEAR ENDED JUNE 30, 2019**

Section II – Findings Related to the Financial Statements (Continued)

FINDING: 2019-002 Material Audit Adjustments

Criteria: The District should have controls in place to prevent or detect a material misstatement in the financial statements in a timely manner.

Condition: The audit firm proposed and the District posted to its general ledger accounts journal entries for correcting certain misstatements.

Context: The District has informed us that they will continue to rely upon the audit firm to propose such audit adjustments as are necessary to adjust accounts in accordance with Generally Accepted Accounting Principles (GAAP). Management will review and approve those entries prior to recording them.

Cause: The District has not established controls to ensure that all accounts are adjusted to their appropriate year end balances in accordance with GAAP.

Effect: The financial statements of the District may include inaccurate information not detected or prevented by District staff.

Recommendation: The District should continue to evaluate its internal control processes to determine if additional internal control procedures should be implemented to ensure that accounts are adjusted to their appropriate year end balances in accordance with GAAP.

Actions Planned in Response to Finding: The District will continue to rely upon the audit firm to propose audit adjustments necessary to adjust accounts in accordance with GAAP. Management will review and approve these entries prior to recording them. The District Administrator is the official responsible for ensuring corrective action of the deficiency.

SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF FINDINGS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Section II – Findings Related to the Financial Statements (Continued)

FINDING: 2019-003 Limited Segregation of Duties

- Criteria:** Generally, a system of internal control contemplates segregation of duties such that no individual has responsibility to execute a transaction, have physical access to the related assets, and have responsibility or authority to record the transaction.
- Condition:** The auditors noted during the audit that the available staff precludes a proper separation of duties to assure adequate internal control.
- Context:** The limited size of the District's staff responsible for accounting and financial duties precludes a complete segregation of incompatible duties. The District has informed us that it may not be cost effective to hire the additional personnel required to achieve complete segregation of duties.
- Cause:** The condition is due to limited staff available.
- Effect:** Lack of segregation of duties could result in a financial statement misstatement, caused by error or fraud, that would not be detected or prevented by District staff.
- Recommendation:** The District should continue to evaluate its staffing in order to segregate incompatible duties whenever possible.

Actions Planned in Response to Finding: The District continues to work to achieve segregation of duties whenever cost effective. The District Administrator is the official responsible for ensuring corrective action of the deficiency.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF FINDINGS (CONTINUED)
YEAR ENDED JUNE 30, 2019**

Section III – Findings Related to Major Federal Award Programs

FINDING: 2019-004	Procurement Policy Deficiencies (Material Weakness) Child Nutrition Cluster (CFDA #10.553, 10.555, 10.556, 10.559) Special Education Cluster (CFDA #84.027, 84.173)
Criteria:	The District should have a procurement policy that adheres to the requirements of the Uniform Guidance.
Condition:	The auditors noted during the audit that the District did not have a procurement policy that adheres to the requirements of the Uniform Guidance.
Context:	The District is currently reviewing its policies and procedures manuals to update according to current regulations.
Cause:	The condition is due to limited availability of staff and the governing board.
Effect:	The District could procure goods or services with federal funds that are not in accordance with requirements of the Uniform Guidance.
Recommendation:	The District should continue to evaluate its policies to ensure they are in accordance with current regulations.

Actions Planned in Response to Finding: The District continues to work at updating its policies and procedures manuals. The District plans to approve such policies during 2019-20. The District Administrator is the official responsible for ensuring corrective action of the deficiency.

Section IV – Findings Related to Major State Financial Assistance Programs

None

Section V – Findings Related to State General Requirements

None