

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2020



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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, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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, 2020, and the respective changes in the financial position, 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 16, 2020 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 16, 2020

FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
STATEMENT OF NET POSITION
JUNE 30, 2020**

	Governmental Activities
ASSETS	
Cash	\$ 1,301,940
Taxes Receivable	1,390,110
Accounts Receivable	22,724
Due from Other Governments	455,174
Wisconsin Retirement System Net Pension Asset	1,354,748
Capital Assets:	
Capital Assets Not Being Depreciated	1,169,701
Capital Assets Being Depreciated	37,273,822
Accumulated Depreciation	(10,546,021)
Total Assets	32,422,198
DEFERRED OUTFLOWS OF RESOURCES	
Wisconsin Retirement System Pension Related	2,947,223
Supplemental Pension Related	116,172
Other Postemployment Benefits Related	30,421
Total Deferred Outflows of Resources	3,093,816
LIABILITIES	
Accounts Payable	35,133
Accrued Interest Payable	123,738
Payroll Taxes and Withholdings	194,661
Other Liabilities	21,869
Unearned Revenue	19,005
Long-Term Liabilities:	
Supplemental Pension Plan Total Pension Liability	1,648,126
Other Postemployment Benefits Total OPEB Liability	89,870
Amounts Due Within One Year	710,168
Amounts Due in More than One Year	20,300,246
Total Liabilities	23,142,816
DEFERRED INFLOWS OF RESOURCES	
Wisconsin Retirement System Pension Related	4,071,524
Supplemental Pension Related	105,383
Other Postemployment Benefits Related	40,340
Total Deferred Inflows of Resources	4,217,247
NET POSITION	
Net Investment in Capital Assets	7,040,260
Restricted for:	
Debt Service	335,845
Long-Term Capital Improvements	170,745
Common School Fund	2,440
Pension Plan	1,354,748
Unrestricted	(748,087)
Total Net Position	\$ 8,155,951

See accompanying Notes to Financial Statements.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020**

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	\$ 6,103,289	\$ 2,241,175	\$ 553,403	\$ (3,308,711)
Vocational Instruction	321,494	130,521	11,945	(179,028)
Special Instruction	1,555,761	29,071	640,235	(886,455)
Other Instruction	429,653	206,038	-	(223,615)
Total Instruction	8,410,197	2,606,805	1,205,583	(4,597,809)
Support Services:				
Pupil Services	531,175	-	128,447	(402,728)
Instructional Staff Services	753,477	3,250	58,759	(691,468)
General Administration Services	399,814	-	-	(399,814)
Building Administration Services	752,862	-	-	(752,862)
Business Services	303,079	-	-	(303,079)
Operations and Maintenance of Plant	1,008,171	-	-	(1,008,171)
Facilities Acquisition and Remodeling	15,050	-	-	(15,050)
Pupil Transportation Services	402,075	-	26,360	(375,715)
Food Service	428,371	124,091	234,542	(69,738)
Central Services	85,303	-	-	(85,303)
Insurance and Judgments	146,787	-	-	(146,787)
Interest and Fiscal Fees	1,471,042	-	-	(1,471,042)
Other Support Services	523,245	-	-	(523,245)
Community Services	224,062	64,040	-	(160,022)
Depreciation - Unallocated *	746,257	-	-	(746,257)
Total Support Services	7,790,770	191,381	448,108	(7,151,281)
Total Primary Government	\$ 16,200,967	\$ 2,798,186	\$ 1,653,691	(11,749,090)

GENERAL REVENUES

Taxes:

Property Taxes, Levied for General Purposes	1,516,519
Property Taxes, Levied for Debt Purposes	2,426,275
Property Taxes, Levied for Community Service Pur	86,872
Other Taxes	2,700

State and Federal Aids Not Restricted to Specific Functions:

General	7,804,959
Other	71,219
Interest and Investment Earnings	5,157
Miscellaneous	22,714
Total General Revenues	<u>11,936,415</u>

CHANGE IN NET POSITION

187,325

Net Position - Beginning of Year

7,968,626

NET POSITION - END OF YEAR

\$ 8,155,951

* 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, 2020**

	Major Funds			Nonmajor	Totals
	General Fund	Debt Service Fund	Community Service Fund	Other Governmental Funds	
ASSETS					
Cash and Investments	\$ 649,007	\$ 459,583	\$ -	\$ 193,350	\$ 1,301,940
Taxes Receivable	1,390,110	-	-	-	1,390,110
Accounts Receivable	-	-	-	22,724	22,724
Due from Other Governments	455,174	-	-	-	455,174
Due from Other Funds	66,154	-	-	-	66,154
	<u>\$ 2,560,445</u>	<u>\$ 459,583</u>	<u>\$ -</u>	<u>\$ 216,074</u>	<u>\$ 3,236,102</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 34,306	\$ -	\$ -	\$ 827	\$ 35,133
Payroll Taxes and Withholdings	190,990	-	71	3,600	194,661
Due to Other Funds	-	-	66,126	28	66,154
Other Liabilities	-	-	-	21,869	21,869
Unearned Revenues	-	-	-	19,005	19,005
Total Liabilities	<u>225,296</u>	<u>-</u>	<u>66,197</u>	<u>45,329</u>	<u>336,822</u>
FUND BALANCES					
Restricted	2,440	459,583	-	170,745	632,768
Unassigned	<u>2,332,709</u>	<u>-</u>	<u>(66,197)</u>	<u>-</u>	<u>2,266,512</u>
Total Fund Balances (Deficit)	<u>2,335,149</u>	<u>459,583</u>	<u>(66,197)</u>	<u>170,745</u>	<u>2,899,280</u>
Total Liabilities and Fund Balances	<u>\$ 2,560,445</u>	<u>\$ 459,583</u>	<u>\$ -</u>	<u>\$ 216,074</u>	<u>\$ 3,236,102</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, 2020**

Total Fund Balances - Governmental Funds \$ 2,899,280

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	1,307,401	
Buildings	31,792,482	
Furniture and Equipment	4,173,939	
Accumulated Depreciation	<u>(10,546,021)</u>	27,897,502

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)	1,354,748	
Deferred Outflows of Resources - WRS Pension Related	2,947,223	
Deferred Inflows of Resources - WRS Pension Related	<u>(4,071,524)</u>	230,447

Single Employer Supplemental Pension Plan:		
Total Pension Liability	(1,648,126)	
Deferred Outflows of Resources - Supplemental Pension Plan	116,172	
Deferred Inflows of Resources - Supplemental Pension Plan	<u>(105,383)</u>	(1,637,337)

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	(89,870)	
Other Postemployment Benefits Deferred Outflows of Resources	30,421	
Other Postemployment Benefits Deferred Inflows of Resources	<u>(40,340)</u>	(99,789)

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	(18,155,000)	
General Obligation Notes Payable	(2,168,740)	
Unamortized Premium	(533,502)	
Accrued Interest Payable on General Obligation Debt	(123,738)	
Accrued Employee Leave	<u>(153,172)</u>	<u>(21,134,152)</u>

Net Position of Governmental Activities \$ 8,155,951

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Major Funds			Nonmajor	Totals
	General Fund	Debt Service Fund	Community Service Fund	Other Governmental Funds	
REVENUES					
Local Sources:					
Property Taxes	\$ 1,516,519	\$ 2,426,275	\$ 86,872	\$ -	\$ 4,029,666
Other Local Sources	43,537	-	64,040	124,668	232,245
Interdistrict Sources	2,401,948	-	-	171,850	2,573,798
Intermediate Sources	37,177	-	-	-	37,177
State Sources	8,698,373	-	-	10,493	8,708,866
Federal Sources	559,777	-	-	224,049	783,826
Other Sources	20,177	-	-	2,537	22,714
Total Revenues	<u>13,277,508</u>	<u>2,426,275</u>	<u>150,912</u>	<u>533,597</u>	<u>16,388,292</u>
EXPENDITURES					
Instruction:					
Regular Instruction	5,118,919	-	-	231,912	5,350,831
Vocational Instruction	323,288	-	-	-	323,288
Special Instruction	1,553,479	-	-	-	1,553,479
Other Instruction	447,598	-	-	-	447,598
Support Services:					
Pupil Services	535,176	-	-	-	535,176
Instructional Staff Services	721,328	-	-	7,200	728,528
General Administration	400,330	-	-	-	400,330
School Building Administration	757,435	-	-	-	757,435
Business Services	304,999	-	-	-	304,999
Operations and Maintenance of Plant	1,038,791	-	-	10,250	1,049,041
Facilities Acquisition and Remodeling	-	-	-	17,732	17,732
Pupil Transportation Services	303,020	-	2,162	-	305,182
Food Service	-	-	-	434,211	434,211
Central Services	80,931	-	-	4,299	85,230
Insurance and Judgments	146,154	-	-	1,277	147,431
Debt Service	4,883	2,604,324	-	-	2,609,207
Other Support Services	359,086	-	-	-	359,086
Community Services	-	-	223,221	-	223,221
Nonprogram Transactions	763,227	-	-	-	763,227
Total Expenditures	<u>12,858,644</u>	<u>2,604,324</u>	<u>225,383</u>	<u>706,881</u>	<u>16,395,232</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	418,864	(178,049)	(74,471)	(173,284)	(6,940)
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	-	6,665,000	-	-	6,665,000
Advanced Refunding Payments	-	(6,605,000)	-	-	(6,605,000)
Transfers In	-	28,833	-	173,859	202,692
Transfers Out	(202,692)	-	-	-	(202,692)
Net Other Financing Sources (Uses)	<u>(202,692)</u>	<u>88,833</u>	<u>-</u>	<u>173,859</u>	<u>60,000</u>
NET CHANGE IN FUND BALANCES	216,172	(89,216)	(74,471)	575	53,060
Fund Balances - Beginning of Year	<u>2,118,977</u>	<u>548,799</u>	<u>8,274</u>	<u>170,170</u>	<u>2,846,220</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 2,335,149</u>	<u>\$ 459,583</u>	<u>\$ (66,197)</u>	<u>\$ 170,745</u>	<u>\$ 2,899,280</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, 2020**

Net Change in Fund Balances - Total Governmental Funds \$ 53,060

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	\$ 99,189	
Depreciation Expense Reported in the Statement of Activities	(970,438)	
Loss on Capital Assets Disposed	<u>(3,126)</u>	(874,375)

Wisconsin Retirement System Pension Plan	(43,185)	
Supplemental Pension Plan	<u>(158,626)</u>	(201,811)

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. 162,029

Long-term debt incurred in governmental funds is reported as an other financing source, but is reported as an increase in outstanding long-term debt in the statement of net position and does not affect the statement of activities. The amount of long-term debt incurred in the current year is: (6,665,000)

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: 7,620,000

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	67,997	
Net Change in Compensated Absences at Year-End	<u>(29,743)</u>	<u>93,422</u>

Change in Net Position of Governmental Activities \$ 187,325

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020**

	Private Purpose Trust Funds	Agency Fund
ASSETS		
Cash and Investments	\$ 2,750	\$ 138,968
LIABILITIES		
Due to Student Organizations	-	\$ 138,968
NET POSITION		
Restricted for Scholarships	\$ 2,750	

See accompanying Notes to Financial Statements.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2020**

	Private Purpose Trust Funds
ADDITIONS	
Gifts	\$ 500
DEDUCTIONS	
Scholarships Awarded	-
CHANGE IN NET POSITION	500
Net Position - Beginning of Year	2,250
NET POSITION - END OF YEAR	\$ 2,750

See accompanying Notes to Financial Statements.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

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, 2020**

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.

Community Service Fund – The Community Service Fund is used to account for the accumulation and use of resources for the community service programs.

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, 2020**

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, 2020**

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, 2020**

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 2019 tax levy is used to finance operations of the District's fiscal year ended June 30, 2020. 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, 2020**

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 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, 2020**

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, 2020**

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, 2020**

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, 2020**

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	\$ 1,301,940
Fiduciary Funds:	141,718
Total	\$ 1,443,658

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, 2020, 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, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Capital Assets

Changes in the capital assets for the year ended June 30, 2020 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
Capital Assets Being Depreciated:				
Land Improvements	1,291,998	15,403	-	1,307,401
Buildings and Improvements	31,745,511	46,971	-	31,792,482
Furniture and Equipment	5,198,447	36,815	(1,061,323)	4,173,939
Total Capital Assets Being Depreciated	<u>38,235,956</u>	<u>99,189</u>	<u>(1,061,323)</u>	<u>37,273,822</u>
Total Capital Assets	39,405,657	99,189	(1,061,323)	38,443,523
Accumulated Depreciation:				
Land Improvements	684,212	45,430	-	729,642
Buildings and Improvements	6,274,360	661,947	-	6,936,307
Furniture and Equipment	3,675,208	263,061	(1,058,197)	2,880,072
Total Accumulated Depreciation	<u>10,633,780</u>	<u>970,438</u>	<u>(1,058,197)</u>	<u>10,546,021</u>
Governmental Activities Capital Assets Net of Accumulated Depreciation	<u>\$ 28,771,877</u>	<u>\$ (871,249)</u>	<u>\$ (3,126)</u>	<u>\$ 27,897,502</u>

Depreciation was charged to governmental functions as follows:

Instruction:	
Undifferentiated Curriculum	\$ 45,445
Vocational Instruction	2,225
Co-Curricular Activities	13,241
Support Services:	
Instructional Staff Services	30,727
General Administration	1,207
Operation and Maintenance of Plant	26,178
Pupil Transportation Services	97,030
Food Service	2,595
Other Support Services	5,533
Unallocated Depreciation	746,257
Total Depreciation for Governmental Activities	<u>\$ 970,438</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2020 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	\$ 66,154	Cash Deficit

Interfund Transfers

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Purpose</u>
Debt Service Fund	General Fund	\$ 28,833	Debt Payment
Food Service Fund	General Fund	75,576	Fund Deficit
North Star Cooperative Fund	General Fund	98,283	District's Share of Costs
Total		<u>\$ 202,692</u>	

D. Long-Term Obligations

Changes in Long-Term Obligations

Changes in long-term obligations of the District for the year ended June 30, 2020 were as follows:

	<u>Balances July 1, 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances June 30, 2020</u>	<u>Amounts Due Within One Year</u>
General Obligation Debt:					
Bonds	\$ 18,560,000	\$ 6,665,000	\$ 7,070,000	\$ 18,155,000	\$ 110,000
Notes	2,450,000	-	530,000	1,920,000	545,000
Notes - Direct Borrowing	268,740	-	20,000	248,740	-
Unamortized Premium	588,670	-	55,168	533,502	55,168
Subtotal	<u>21,867,410</u>	<u>6,665,000</u>	<u>7,675,168</u>	<u>20,857,242</u>	<u>710,168</u>
Other Long-Term Obligations:					
Compensated Absences	<u>123,429</u>	<u>86,960</u>	<u>57,217</u>	<u>153,172</u>	<u>-</u>
Total	<u>\$ 21,990,839</u>	<u>\$ 6,751,960</u>	<u>\$ 7,732,385</u>	<u>\$ 21,010,414</u>	<u>\$ 710,168</u>

The District's estimated liability for compensated absences is generally liquidated by the general fund. The District's liability for its compensated absences are discussed in Note 4.D.

Security and Default

All of the taxable property in the District is subject to the levy of a tax to pay the principal and interest on the debt as it becomes due. The levy, under current tax law, may be levied without limitation to rate or amount. Principal, interest, and fiscal charges paid for the current year was \$2,604,324 and the related tax levy was \$2,426,275. A transfer of \$28,833 was transferred from the general fund to make principal and interest payments.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (continued)

Current Year Borrowing

On May 19, 2020, the District issued \$6,665,000 of General Obligation Refunding Bonds. The bonds accrue at an interest rate of 1.91 to 2.65% and mature April 1, 2032. The bonds were issued to partially advance refund \$6,605,000 of the 2013 Building and Improvements bonds. The refunding resulted in a net present value savings of \$48,754.

General Obligation Debt

The individual long-term debt issues of the District outstanding at June 30, 2020 and their related interest requirements at that date were as follows:

	Fiscal Year	Principal	Interest	Total
General Obligation School Building 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%	2021	\$ -	\$ 32,194	\$ 32,194
	2022	485,000	54,082	539,082
	2023	505,000	33,044	538,044
	2024	525,000	11,156	536,156
	2025	1,515,000	130,476	1,645,476
General Obligation Refunding Bonds, \$9,975,000, dated 4/6/15, due 4/1/35 interest at 3.00-3.75%	2021	-	331,088	331,088
	2022	-	331,088	331,088
	2023	-	331,088	331,088
	2024	355,000	331,088	686,088
	2025	615,000	320,438	935,438
	2026-2030	3,360,000	1,314,490	4,674,490
2031-2035	5,645,000	692,136	6,337,136	
		9,975,000	3,651,416	13,626,416
General Obligation Promissory Notes, \$4,045,000, dated 5/11/15, due 4/1/2024 interest at 2.00-3.00%	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
		1,920,000	125,050	2,045,050
Promissory Note, \$443,740, dated 12/21/17, interest only payments until maturity on 12/21/22, interest payable at 2.75%	2021	-	7,166	7,166
	2022	-	6,842	6,842
	2023	248,740	6,842	255,582
		248,740	20,850	269,590
General Obligation Refunding Bonds, \$6,665,000, dated 5/19/20, due 4/1/32, interest at 1.91-2.65%	2021	110,000	135,820	245,820
	2022	75,000	154,616	229,616
	2023	175,000	153,108	328,108
	2024	690,000	149,450	839,450
	2025	705,000	134,684	839,684
	2026-2030	3,710,000	427,258	4,137,258
	2031-2032	1,200,000	42,092	1,242,092
		6,665,000	1,197,028	7,862,028
Total General Obligation Debt		\$ 20,323,740	\$ 5,124,820	\$ 25,448,560

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

General Obligation Debt (Continued)

The 2019 equalized valuation of the District as certified by the Wisconsin Department of Revenue is \$397,222,221. The legal debt limit and margin of indebtedness as of June 30, 2020 in accordance with Section 67.03(1)(b) of the Wisconsin Statutes is as follows:

Debt Limit (10% of \$397,222,221)	\$ 39,722,222
Deduct Long-Term Debt Application to Debt Margin	<u>20,323,740</u>
Margin of Indebtedness	<u><u>\$ 19,398,482</u></u>

E. Temporary Notes Payable

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.

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.

During 2019-20, the District borrowed a total of \$2,950,000 per these agreements and repaid that same amount plus \$4,883 of interest. There was no outstanding balance at June 30, 2020.

On October 28, 2020, the District issued a \$1,700,000 short-term promissory note with Community Bank of Cameron. The note accrues interest at 1.00% and matures October 28, 2021.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

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, 2020 consisted of the following:

	<u>Total</u>	<u>Restricted</u>	<u>Unassigned</u>
Major Funds:			
General Fund:			
Common School Funds	\$ 2,440	\$ 2,440	\$ -
Unassigned	2,332,709	-	2,332,709
Total General Fund	<u>2,335,149</u>	<u>2,440</u>	<u>2,332,709</u>
Debt Service Fund	<u>459,583</u>	<u>459,583</u>	<u>-</u>
Subtotal Major Funds	<u>2,794,732</u>	<u>462,023</u>	<u>2,332,709</u>
Nonmajor Funds:			
Special Revenue Funds:			
Community Service Programs	(66,197)	-	(66,197)
Capital Projects Funds:			
Long-Term Capital			
Improvements Fund	<u>170,745</u>	<u>170,745</u>	<u>-</u>
Subtotal Nonmajor Funds	<u>104,548</u>	<u>170,745</u>	<u>(66,197)</u>
Total Governmental Funds			
Balances at June 30, 2020	<u>\$ 2,899,280</u>	<u>\$ 632,768</u>	<u>\$ 2,266,512</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

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, 2020**

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, 2019 through June 30, 2020, the WRS recognized \$451,055 in contributions from the employer.

Contribution rates as of June 30, 2020 are:

	<u>Employee</u>	<u>Employer</u>
General (including Teachers)	6.75 %	6.75 %

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

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

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

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, 2020, the District reported an asset of \$1,354,748 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019. The District's proportion of the net pension asset was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2019, the District's proportion was 0.04201479%, which was a decrease of 0.00000434% from its proportion measured as of December 31, 2018.

For the year ended June 30, 2020, the District recognized pension expense of \$495,081. At June 30, 2020, 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	\$ 2,571,622	\$ (1,286,925)
Changes of Assumptions	105,570	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(2,769,588)
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	722	(15,011)
District Contributions Subsequent to the Measurement Date	269,309	-
Total	<u>\$ 2,947,223</u>	<u>\$ (4,071,524)</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

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)

\$269,309 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the year ended June 30, 2021. 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>
2021	\$ (417,203)
2022	(310,311)
2023	46,171
2024	(712,267)

Actuarial assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2018
Measurement Date of Net Pension Liability (Asset):	December 31, 2019
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:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 mortality table
Post-Retirement Adjustments*:	1.9%

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

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

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

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 geometric 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%	4.6%
International Equities	N/A	N/A	30%	5.3%
Global Equities	49%	5.1%	N/A	N/A
Fixed Income	24.5%	2.1%	N/A	N/A
Inflation Sensitive Assets	15.5%	1.2%	N/A	N/A
Real Estate	9%	3.5%	N/A	N/A
Private Equity/Debt	8%	7.6%	N/A	N/A
Multi-Asset	4%	4.0%	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, which was based on the expected rate of return on pension plan investments. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.90% will always be paid after reflecting known changes in the Market Recognition Account. 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 long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

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)	\$ 3,488,719	\$ (1,354,748)	\$ (4,975,798)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

B. Other Postemployment Benefit Plan

The District offers other postemployment benefits that it reports in accordance with 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, 2020, 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	80
Total	85

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Plan (Continued)

Total OPEB Liability

The District recognizes its total OPEB liability, rather than a net OPEB liability. In order for the District to recognize a net OPEB 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.
- OPEB plan assets must be dedicated to providing OPEBs to Plan members in accordance with benefit terms.
- OPEB 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 OPEB liability is not reduced by any assets accumulated in a trust that meets the criteria, and the District must report its total OPEB liability.

The District's total OPEB liability of \$89,870 was measured as of June 30, 2019.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance - June 30, 2019	\$ 293,726
Changes for the Year:	
Service Cost	21,300
Interest	10,767
Changes of Benefit Terms	(159,160)
Differences Between Expected and Actual Experience	(6,458)
Changes of Assumptions or Other Input	(35,816)
Benefit Payments	(34,489)
Net Changes	(203,856)
Balance - June 30, 2020	\$ 89,870

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Plan (Continued)

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

Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.5% 7.50% decreasing 0.50% per year to 6.50%, then decreasing by 0.10% per year to 5.0% and level thereafter.
Healthcare Cost Trend Rates	3.50%
Discount Rate:	Bond Buyer 20-Bond GO Index
Municipal Bond Rate Source	Based on an experience study conducted in 2018 using WRS experience from 2015-2017
Actuarial Assumptions	Wisconsin 2018 Mortality Table
Mortality Assumptions	

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

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 (2.50%) or 1-percentage-point higher (4.50%) than the current discount rate:

	June 30, 2020		
	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB Liability	\$ 93,436	\$ 89,870	\$ 86,397

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, 2020		
	1% Decrease (6.5% Decreasing to 4.0%)	Healthcare Cost Trend Rates (7.5% Decreasing to 5.0%)	1% Increase (8.5% Decreasing to 6.0%)
Total OPEB Liability	\$ 84,396	\$ 89,870	\$ 96,109

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

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

For the year ended June 30, 2020, the District recognized OPEB expense of (\$131,608). At June 30, 2020, 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
Differences Between Expected and Actual Experience	\$ -	\$ 5,812
Changes of Assumptions or Other Input	-	34,528
District Contributions Subsequent to the Measurement Date	30,421	-
Total	<u>\$ 30,421</u>	<u>\$ 40,340</u>

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

\$30,421 reported as deferred outflows of resources 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, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	OPEB Expense Amount
2021	\$ (4,515)
2022	(4,515)
2023	(4,515)
2024	(4,515)
2025	(4,515)
Thereafter	(17,765)

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.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Supplemental Pension Plan (Continued)

Plan Description (continued)

As of June 30, 2020, employees covered by the Plan are as follows:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	17
Inactive Plan Members Entitled to but not yet Receiving Benefit Payments	-
Active Plan Members	135
Total	<hr style="border: 1px solid black;"/> <hr style="border: 1px solid black;"/> 152

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.

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.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Supplemental Pension Plan (Continued)

The District's total pension liability was determined by an actuarial valuation as of June 30, 2019 (the measurement date). At June 30, 2020, the District reported a total pension liability of \$1,648,126. Changes in the District's total pension liability were as follows:

Total Pension Liability - June 30, 2019	\$ 1,485,112
Changes for the Year:	
Service Cost	65,708
Interest	55,270
Benefit Payments	(88,224)
Changes of Benefit Terms	143,393
Differences Between Expected and Actual Experience	(34,712)
Changes of Assumptions of Other Input	21,579
Net Changes	<u>163,014</u>
Total Pension Liability - June 30, 2020	<u>\$ 1,648,126</u>

Pension Costs

For the year ended June 30, 2020, the District recognized pension expense of \$255,181. At June 30, 2020, 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	\$ -	\$ 73,089
Changes of Assumptions or Other Input	19,617	32,294
District Contributions Subsequent to the Measurement Date	96,555	-
Total	<u>\$ 116,172</u>	<u>\$ 105,383</u>

\$96,555 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, 2021. 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>
2021	\$ (9,190)
2022	(9,190)
2023	(9,190)
2024	(9,190)
2025	(9,190)
Thereafter	(39,816)

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

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, 2019
Measurement Date:	June 30, 2019
Actuarial Cost Method:	Entry Age Normal (Level Percent of Salary)
Discount Rate:	3.50%
Municipal Bond Rate Source:	Bond Buyer 20-Bond GO Index
Actuarial Assumptions:	Based on an experience study conducted in 2018 using Wisconsin Retirement System (WRS) experience from 2015-17.
Mortality:	Wisconsin 2018 Mortality Table

Discount Rate

The discount rate used to measure the total pension liability was 3.50%. The discount rate is based upon all years of projected payments discounted at a municipal bond rate of 3.50%. The 3.50% is a decrease from the 3.75% used in the previous year.

Total Pension Liability Sensitivity

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

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50)
Total Pension Liability	<u>\$ 1,752,255</u>	<u>\$ 1,648,126</u>	<u>\$ 1,550,296</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Compensated Absences

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 \$153,172 at June 30, 2020.

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.

G. Significant Event

During the year, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. The full impact of COVID-19 is unknown.

REQUIRED SUPPLEMENTARY INFORMATION

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Sources:				
Property Taxes	\$ 1,519,019	\$ 1,516,519	\$ 1,516,519	\$ -
Other Local Sources	149,000	151,500	43,537	(107,963)
Interdistrict Sources	2,375,000	2,375,000	2,401,948	26,948
Intermediate Sources	20,000	20,000	37,177	17,177
State Sources	8,661,583	8,661,583	8,698,373	36,790
Federal Sources	505,230	505,230	559,777	54,547
Other Revenues	49,000	49,000	20,177	(28,823)
Total Revenues	<u>13,278,832</u>	<u>13,278,832</u>	<u>13,277,508</u>	<u>(1,324)</u>
EXPENDITURES				
Instruction:				
Undifferentiated Curriculum	2,807,537	2,807,537	2,459,828	347,709
Regular Curriculum	2,810,980	2,810,980	2,659,091	151,889
Vocational Curriculum	343,432	343,432	323,288	20,144
Special Curriculum	1,439,648	1,439,648	1,553,479	(113,831)
Physical Curriculum	197,096	197,096	196,158	938
Co-Curricular Activities	334,475	334,475	251,440	83,035
Other Special Needs	1,300	1,300	-	1,300
Total Instruction	<u>7,934,468</u>	<u>7,934,468</u>	<u>7,443,284</u>	<u>491,184</u>
Support Services:				
Pupil Services	563,479	563,479	535,176	28,303
Instructional Staff Services	678,601	678,601	721,328	(42,727)
General Administration	286,310	286,310	400,330	(114,020)
School Building Administration	778,830	778,830	757,435	21,395
Business Services	1,656,041	268,637	304,999	(36,362)
Operation and Maintenance of Plant	-	1,019,850	1,038,791	(18,941)
Pupil Transportation Services	36,878	404,432	303,020	101,412
Central Services	93,484	93,484	80,931	12,553
Insurance and Judgments	159,425	159,425	146,154	13,271
Debt Services	3,000	3,000	4,883	(1,883)
Other Support Services	317,044	317,044	359,086	(42,042)
Total Support	<u>4,573,092</u>	<u>4,573,092</u>	<u>4,652,133</u>	<u>(79,041)</u>
Nonprogram:				
Instructional Services	804,200	804,200	757,036	47,164
Other Nonprogram	-	-	6,191	(6,191)
Total Nonprogram	<u>804,200</u>	<u>804,200</u>	<u>763,227</u>	<u>40,973</u>
Total Expenditures	<u>13,311,760</u>	<u>13,311,760</u>	<u>12,858,644</u>	<u>453,116</u>
EXCESS OF REVENUES OVER EXPENDITURES	(32,928)	(32,928)	418,864	451,792
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(123,135)</u>	<u>(123,135)</u>	<u>(202,692)</u>	<u>(79,557)</u>
NET CHANGE IN FUND BALANCE	(156,063)	(156,063)	216,172	372,235
Fund Balance - Beginning of Year	<u>2,118,977</u>	<u>2,118,977</u>	<u>2,118,977</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,962,914</u>	<u>\$ 1,962,914</u>	<u>\$ 2,335,149</u>	<u>\$ 372,235</u>

See accompanying Notes to Required Supplementary Information.

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
COMMUNITY SERVICE FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Sources:				
Property Taxes	\$ 86,872	\$ 86,872	\$ 86,872	\$ -
Other Local Sources	-	-	64,040	64,040
Total Revenues	<u>86,872</u>	<u>86,872</u>	<u>150,912</u>	<u>64,040</u>
EXPENDITURES				
Support Services:				
Pupil Transportation	3,330	3,330	2,162	1,168
Nonprogram:				
Community Services	<u>83,000</u>	<u>83,000</u>	<u>223,221</u>	<u>(140,221)</u>
Total Expenditures	<u>86,330</u>	<u>86,330</u>	<u>225,383</u>	<u>(139,053)</u>
NET CHANGE IN FUND BALANCE	542	542	(74,471)	(75,013)
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>8,274</u>	<u>8,274</u>
FUND BALANCE - END OF YEAR	<u>\$ 542</u>	<u>\$ 542</u>	<u>\$ (66,197)</u>	<u>\$ (66,739)</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,	<u>2017</u>	<u>2018</u>	<u>2019</u>
TOTAL OPEB LIABILITY			
Service Cost	\$ 19,048	\$ 19,048	\$ 21,300
Interest	8,401	8,856	10,767
Changes of Benefit Terms	-	30,587	(159,160)
Differences Between Expected and Actual Experience	-	-	(6,458)
Changes of Assumptions or Other Input	-	(2,868)	(35,816)
Benefit Payments	<u>(18,056)</u>	<u>(10,820)</u>	<u>(34,489)</u>
Net Change in Total OPEB Liability	9,393	44,803	(203,856)
Total OPEB Liability - Beginning	<u>239,530</u>	<u>248,923</u>	<u>293,726</u>
Total OPEB Liability - Ending (a)	<u><u>\$ 248,923</u></u>	<u><u>\$ 293,726</u></u>	<u><u>\$ 89,870</u></u>
Covered Payroll	\$ 3,880,847	3,880,847	6,199,782
District's Total OPEB Liability as a Percentage of Covered Payroll	6.41%	7.57%	1.45%

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 3.75% to 3.50%.

**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	2019
District's Proportion of the Net Pension Liability (Asset)	0.03867801%	0.03959736%	0.04042586%	0.04163050%	0.04201913%	0.04201479%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ (950,038)	\$ 643,449	\$ 333,206	\$ (1,236,059)	\$ 1,494,909	(1,354,748)
District's Covered Payroll	\$ 5,466,518	\$ 5,725,386	\$ 6,065,517	\$ 6,325,249	\$ 6,381,940	6,716,691
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%	20.17%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	102.74%	98.20%	99.12%	102.93%	96.45%	102.96%

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	2020
Contractually Required Contribution	\$ 382,032	\$ 397,710	\$ 419,645	\$ 427,719	\$ 435,498	\$ 451,055
Contributions in Relation to the Contractually Required Contributions	(382,032)	(397,710)	(419,645)	(427,719)	(435,498)	(451,055)
Contribution Deficiency (Excess)	<u>\$ -</u>	<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	\$ 6,764,516
Contributions as a Percentage of Covered Payroll	6.88%	6.68%	6.72%	6.74%	6.61%	6.67%

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

Changes of Assumptions. There were no changes in actuarial assumptions.

**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>	<u>2019</u>
TOTAL PENSION LIABILITY				
Service Cost	\$ 72,085	\$ 72,085	\$ 68,622	\$ 65,708
Interest	43,058	44,568	51,045	55,270
Benefit Payments	(65,134)	(64,496)	(72,558)	(88,224)
Changes of Benefit Terms	-	-	-	143,393
Differences Between Expected and Actual Experience	-	(55,378)	-	(34,712)
Changes of Assumptions of Other Input	-	(18,179)	(22,392)	21,579
Net Changes	<u>50,009</u>	<u>(21,400)</u>	<u>24,717</u>	<u>163,014</u>
 Total Pension Liability - Beginning	 <u>1,431,786</u>	 <u>1,481,795</u>	 <u>1,460,395</u>	 <u>1,485,112</u>
Total Pension Liability - Ending	<u>\$ 1,481,795</u>	<u>\$ 1,460,395</u>	<u>\$ 1,485,112</u>	<u>\$ 1,648,126</u>
 Covered Payroll	 4,472,700	 4,691,476	 4,691,476	 6,199,782
 Total Pension Liability as a Percentage of Covered Payroll	 33.13%	 31.13%	 31.66%	 26.58%

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

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

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, 2020**

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, 2020**

	Original Budgets				Final Budgets				Actuals			
	Fund 10	Fund 27	Eliminations	Combined	Fund 10	Fund 27	Eliminations	Combined	Fund 10	Fund 27	Eliminations	Combined
	General	Special			General	Special			General	Special		
	Fund	Education Fund			Fund	Education Fund			Fund	Education Fund		
REVENUES												
Local Sources:												
Property Taxes	\$ 1,519,019	\$ -	\$ -	\$ 1,519,019	\$ 1,516,519	\$ -	\$ -	\$ 1,516,519	\$ 1,516,519	\$ -	\$ -	\$ 1,516,519
Other Local Sources	149,000	-	-	149,000	151,500	-	-	151,500	43,537	-	-	43,537
Interdistrict Sources	2,375,000	-	-	2,375,000	2,346,190	28,810	-	2,375,000	2,373,138	28,810	-	2,401,948
Intermediate Sources	10,000	10,000	-	20,000	10,000	10,000	-	20,000	18,261	18,916	-	37,177
State Sources	8,258,633	402,950	-	8,661,583	8,258,633	402,950	-	8,661,583	8,314,973	383,400	-	8,698,373
Federal Sources	194,636	310,594	-	505,230	194,636	310,594	-	505,230	267,825	291,952	-	559,777
Other Revenues	49,000	-	-	49,000	49,000	-	-	49,000	20,177	-	-	20,177
Total Revenues	12,555,288	723,544	-	13,278,832	12,526,478	752,354	-	13,278,832	12,554,430	723,078	-	13,277,508
EXPENDITURES												
Instruction:												
Undifferentiated Curriculum	2,807,537	-	-	2,807,537	2,807,537	-	-	2,807,537	2,459,828	-	-	2,459,828
Regular Curriculum	2,810,980	-	-	2,810,980	2,810,980	-	-	2,810,980	2,659,091	-	-	2,659,091
Vocational Curriculum	343,432	-	-	343,432	343,432	-	-	343,432	323,288	-	-	323,288
Special Curriculum	-	1,439,648	-	1,439,648	-	1,439,648	-	1,439,648	-	1,553,479	-	1,553,479
Physical Curriculum	197,096	-	-	197,096	197,096	-	-	197,096	196,158	-	-	196,158
Co-Curricular Activities	334,475	-	-	334,475	334,475	-	-	334,475	251,440	-	-	251,440
Other Special Needs	1,300	-	-	1,300	1,300	-	-	1,300	-	-	-	-
Total Instruction	6,494,820	1,439,648	-	7,934,468	6,494,820	1,439,648	-	7,934,468	5,889,805	1,553,479	-	7,443,284
Support Services:												
Pupil Services	345,585	217,894	-	563,479	345,585	217,894	-	563,479	320,961	214,215	-	535,176
Instructional Staff Services	561,908	116,693	-	678,601	561,908	116,693	-	678,601	609,153	112,175	-	721,328
General Administration	286,310	-	-	286,310	286,310	-	-	286,310	400,330	-	-	400,330
School Building Administration	778,830	-	-	778,830	778,830	-	-	778,830	757,435	-	-	757,435
Business Services	1,656,041	-	-	1,656,041	268,637	-	-	268,637	265,331	39,668	-	304,999
Operation and Maintenance of Plant	-	-	-	-	1,019,850	-	-	1,019,850	1,038,791	-	-	1,038,791
Pupil Transportation Services	-	36,878	-	36,878	367,554	36,878	-	404,432	303,020	-	-	303,020
Central Services	89,484	4,000	-	93,484	89,484	4,000	-	93,484	80,631	300	-	80,931
Insurance and Judgments	159,425	-	-	159,425	159,425	-	-	159,425	146,154	-	-	146,154
Debt Services	3,000	-	-	3,000	3,000	-	-	3,000	4,883	-	-	4,883
Other Support Services	317,044	-	-	317,044	317,044	-	-	317,044	356,727	2,359	-	359,086
Total Support	4,197,627	375,465	-	4,573,092	4,197,627	375,465	-	4,573,092	4,283,416	368,717	-	4,652,133
Nonprogram:												
Instructional Services	725,000	79,200	-	804,200	697,307	106,893	-	804,200	658,817	98,219	-	757,036
Other Nonprogram	-	-	-	-	-	-	-	-	6,191	-	-	6,191
Total Nonprogram	725,000	79,200	-	804,200	697,307	106,893	-	804,200	665,008	98,219	-	763,227
Total Expenditures	11,417,447	1,894,313	-	13,311,760	11,389,754	1,922,006	-	13,311,760	10,838,229	2,020,415	-	12,858,644
EXCESS OF REVENUES OVER EXPENDITURES	1,137,841	(1,170,769)	-	(32,928)	1,136,724	(1,169,652)	-	(32,928)	1,716,201	(1,297,337)	-	418,864
OTHER FINANCING SOURCES (USES)												
Transfers In	-	1,170,769	(1,170,769)	-	-	1,169,652	(1,169,652)	-	-	1,297,337	(1,297,337)	-
Transfers Out	(1,293,904)	-	1,170,769	(123,135)	(1,292,787)	-	1,169,652	(123,135)	(1,500,029)	-	1,297,337	(202,692)
Total Other Financing Sources (Uses)	(1,293,904)	1,170,769	-	(123,135)	(1,292,787)	1,169,652	-	(123,135)	(1,500,029)	1,297,337	-	(202,692)
NET CHANGE IN FUND BALANCE	(156,063)	-	-	(156,063)	(156,063)	-	-	(156,063)	216,172	-	-	216,172
Fund Balance - Beginning of Year	2,118,977	-	-	2,118,977	2,118,977	-	-	2,118,977	2,118,977	-	-	2,118,977
FUND BALANCE - END OF YEAR	<u>\$ 1,962,914</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,962,914</u>	<u>\$ 1,962,914</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,962,914</u>	<u>\$ 2,335,149</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,335,149</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
FUND 10
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Sources:				
Property Taxes	\$ 1,519,019	\$ 1,516,519	\$ 1,516,519	\$ -
Other Local Sources	149,000	151,500	43,537	(107,963)
Interdistrict Sources	2,375,000	2,346,190	2,373,138	26,948
Intermediate Sources	10,000	10,000	18,261	8,261
State Sources	8,258,633	8,258,633	8,314,973	56,340
Federal Sources	194,636	194,636	267,825	73,189
Other Sources	49,000	49,000	20,177	(28,823)
Total Revenues	<u>12,555,288</u>	<u>12,526,478</u>	<u>12,554,430</u>	<u>27,952</u>
EXPENDITURES				
Instruction:				
Undifferentiated Curriculum	2,807,537	2,807,537	2,459,828	347,709
Regular Curriculum	2,810,980	2,810,980	2,659,091	151,889
Vocational Curriculum	343,432	343,432	323,288	20,144
Physical Curriculum	197,096	197,096	196,158	938
Co-Curricular Activities	334,475	334,475	251,440	83,035
Other Special Needs	1,300	1,300	-	1,300
Total Instruction	<u>6,494,820</u>	<u>6,494,820</u>	<u>5,889,805</u>	<u>605,015</u>
Support Services:				
Pupil Services	345,585	345,585	320,961	24,624
Instructional Staff Services	561,908	561,908	609,153	(47,245)
General Administration	286,310	286,310	400,330	(114,020)
School Building Administration	778,830	778,830	757,435	21,395
Business Administration	1,656,041	268,637	265,331	3,306
Operations and Maintenance	-	1,019,850	1,038,791	(18,941)
Pupil Transportation	-	367,554	303,020	64,534
Central Services	89,484	89,484	80,631	8,853
Insurance and Judgments	159,425	159,425	146,154	13,271
Debt Services	3,000	3,000	4,883	(1,883)
Other Support Services	317,044	317,044	356,727	(39,683)
Total Support Services	<u>4,197,627</u>	<u>4,197,627</u>	<u>4,283,416</u>	<u>(85,789)</u>
Nonprogram:				
Instructional Services	725,000	697,307	658,817	38,490
Other Nonprogram	-	-	6,191	(6,191)
Total Nonprogram	<u>725,000</u>	<u>697,307</u>	<u>665,008</u>	<u>32,299</u>
Total Expenditures	<u>11,417,447</u>	<u>11,389,754</u>	<u>10,838,229</u>	<u>551,525</u>
EXCESS OF REVENUES OVER EXPENDITURES	1,137,841	1,136,724	1,716,201	579,477
OTHER FINANCING SOURCES (USES)				
Transfers Out	(1,293,904)	(1,292,787)	(1,500,029)	(207,242)
NET CHANGE IN FUND BALANCE	(156,063)	(156,063)	216,172	372,235
Fund Balance - Beginning of Year	<u>2,118,977</u>	<u>2,118,977</u>	<u>2,118,977</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,962,914</u>	<u>\$ 1,962,914</u>	<u>\$ 2,335,149</u>	<u>\$ 372,235</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
FUND 27
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Interdistrict Sources	\$ -	\$ 28,810	\$ 28,810	\$ -
Intermediate Sources	10,000	10,000	18,916	8,916
State Sources	402,950	402,950	383,400	(19,550)
Federal Sources	310,594	310,594	291,952	(18,642)
Total Revenues	<u>723,544</u>	<u>752,354</u>	<u>723,078</u>	<u>(29,276)</u>
EXPENDITURES				
Instruction:				
Special Curriculum	1,439,648	1,439,648	1,553,479	(113,831)
Support Services:				
Pupil Services	217,894	217,894	214,215	3,679
Instructional Staff Services	116,693	116,693	112,175	4,518
Pupil Transportation	36,878	36,878	39,668	(2,790)
Central Services	4,000	4,000	300	3,700
Other Support Services	-	-	2,359	(2,359)
Total Support Services	<u>375,465</u>	<u>375,465</u>	<u>368,717</u>	<u>6,748</u>
Nonprogram:				
Instructional Services	<u>79,200</u>	<u>106,893</u>	<u>98,219</u>	<u>8,674</u>
Total Expenditures	<u>1,894,313</u>	<u>1,922,006</u>	<u>2,020,415</u>	<u>(98,409)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,170,769)	(1,169,652)	(1,297,337)	(127,685)
OTHER FINANCING SOURCES				
Transfers In	<u>1,170,769</u>	<u>1,169,652</u>	<u>1,297,337</u>	<u>127,685</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, 2020**

	<u>Special Revenue Funds</u>		Long-Term Capital	Total
	<u>Food Service</u>	<u>North Star Academy Cooperative</u>	Improvements Fund	Nonmajor Governmental Funds
ASSETS				
Cash and Investments	\$ 22,605	\$ -	\$ 170,745	\$ 193,350
Accounts Receivable	-	22,724	-	22,724
	<u>22,605</u>	<u>22,724</u>	<u>170,745</u>	<u>216,074</u>
Total Assets	<u>\$ 22,605</u>	<u>\$ 22,724</u>	<u>\$ 170,745</u>	<u>\$ 216,074</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	\$ 827	\$ -	\$ 827
Payroll Taxes and Withholdings	3,600	-	-	3,600
Due to Other Funds	-	28	-	28
Other Liabilities	-	21,869	-	21,869
Unearned Revenue	19,005	-	-	19,005
Total Liabilities	<u>22,605</u>	<u>22,724</u>	<u>-</u>	<u>45,329</u>
FUND BALANCES				
Restricted	-	-	170,745	170,745
Total Liabilities and Fund Balances	<u>\$ 22,605</u>	<u>\$ 22,724</u>	<u>\$ 170,745</u>	<u>\$ 216,074</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES
YEAR ENDED JUNE 30, 2020**

	Special Revenue Funds		Long-Term Capital Improvements Fund	Total Nonmajor Governmental Funds
	Food Service	North Star Academy Cooperative		
REVENUES				
Local Sources:				
Other Local Sources	\$ 124,093	\$ -	\$ 575	\$ 124,668
Interdistrict Sources	-	171,850	-	171,850
State Sources	10,493	-	-	10,493
Federal Sources	224,049	-	-	224,049
Other Sources	-	2,537	-	2,537
Total Revenues	<u>358,635</u>	<u>174,387</u>	<u>575</u>	<u>533,597</u>
EXPENDITURES				
Instruction:				
Regular Instruction	-	231,912	-	231,912
Instructional Staff Services	-	7,200	-	7,200
Operation and Maintenance of Plant	-	10,250	-	10,250
Facilities Acquisition/Remodeling	-	17,732	-	17,732
Food Service	434,211	-	-	434,211
Central Services	-	4,299	-	4,299
Insurance and Judgements	-	1,277	-	1,277
Total Expenditures	<u>434,211</u>	<u>272,670</u>	<u>-</u>	<u>706,881</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(75,576)	(98,283)	575	(173,284)
OTHER FINANCING SOURCES				
Transfers In	<u>75,576</u>	<u>98,283</u>	<u>-</u>	<u>173,859</u>
NET CHANGE IN FUND BALANCES	-	-	575	575
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>170,170</u>	<u>170,170</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 170,745</u>	<u>\$ 170,745</u>

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
DEBT SERVICE FUND
COMBINING BALANCE SHEET
JUNE 30, 2020**

	Referendum Debt Service	Nonreferendum Debt Service	Total Debt Service Fund
ASSETS			
Cash and Investments	\$ 459,583	\$ -	\$ 459,583
FUND BALANCES			
Restricted	\$ 459,583	\$ -	\$ 459,583

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
DEBT SERVICE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES
YEAR ENDED JUNE 30, 2020**

	Referendum Debt Service	Nonreferendum Debt Service	Total Debt Service Fund
REVENUES			
Local Sources:			
Property Taxes	\$ 2,426,275	\$ -	\$ 2,426,275
EXPENDITURES			
Debt Service:			
Principal Retirement	995,000	20,000	1,015,000
Interest and Fiscal Fees	1,580,491	8,833	1,589,324
Total Expenditures	2,575,491	28,833	2,604,324
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(149,216)	(28,833)	(178,049)
OTHER FINANCING SOURCES			
Issuance of Long-Term Debt	6,665,000	-	6,665,000
Advanced Refunding Payments	(6,605,000)	-	(6,605,000)
Transfer In	-	28,833	28,833
Total Other Financing Sources	60,000	28,833	88,833
NET CHANGE IN FUND BALANCES	(89,216)	-	(89,216)
Fund Balances - Beginning of Year	548,799	-	548,799
FUND BALANCES - END OF YEAR	\$ 459,583	\$ -	\$ 459,583

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
STUDENT ACTIVITY FUND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS AND CHANGE IN BALANCES
YEAR ENDED JUNE 30, 2020**

<u>Organization</u>	<u>Balance July 1, 2019</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance June 30, 2020</u>
Art Club/Fine Arts Awards	\$ 7,092	\$ 7,481	\$ 5,665	\$ 8,908
Band	6,816	48,895	19,057	36,654
CALC	9,987	45,648	38,057	17,578
Class of 2020	1,651	355	976	1,030
Class of 2021	680	650	1,281	49
Class of 2022	310	310	-	620
Class of 2023	-	330	-	330
Elementary Assembly Programs	1,461	-	-	1,461
Elementary Humanitarian Fund	249	-	-	249
Elementary PTO	14,786	42,593	35,605	21,774
Elementary Student Celebration	319	-	262	57
FBLA	1,908	2,685	2,974	1,619
FCCLA	946	139	289	796
FFA	2,762	9,503	9,600	2,665
General Account	2,073	1,058	400	2,731
High School Faculty Coke Fund	1,226	207	278	1,155
High School PBIS	3,032	-	271	2,761
High School Student Council	2,358	1,379	966	2,771
High School Vending	5,609	10,113	11,032	4,690
High School Yearbook	205	2,375	1,282	1,298
Lakeland Conference Wrestling	1,746	-	1,746	-
LMC Fines	1,291	1,864	1,357	1,798
Middle School Activity	163	11,425	9,252	2,336
Middle School Book Fair	367	1,677	1,941	103
Middle School PTO	1,593	2,027	2,139	1,481
Middle School Science	414	10,000	1,989	8,425
Middle School Student Council	1,218	557	625	1,150
Middle School Vending	351	137	124	364
Middle School Yearbook	795	787	71	1,511
National Honor Society	4,172	919	3,368	1,723
Pom Pons	955	1,920	2,281	594
Prod Tech	491	1,205	1,043	653
Recycling	128	-	84	44
Relay for Life	327	285	327	285
RIF	72	1,073	1,072	73
Spanish Club	3,561	4,240	2,557	5,244
Sunshine Fund	2,714	14	635	2,093
Veteran's Plaza	1,386	-	-	1,386
Wellness Grant	370	1,938	1,799	509
Total	\$ 85,584	\$ 213,789	\$ 160,405	\$ 138,968

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
CHARTER SCHOOL AUTHORIZER ANNUAL REPORT
YEAR ENDED JUNE 30, 2020**

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 44 students in grades 9 – 12. The school had the following graduation rates:

- 4 year graduation rate of 85.4%
- 5 year graduation rate of 76.7%
- 6 year graduation rate of 82.8%
- 7 year graduation rate of 75.8%

Because of the COVID-19 health emergency, there is no Reading/Language Arts or Mathematics performance data to report for the 2019-2020 school year.

Cameron Academy of Virtual Education (CAVE)

By the end of the 2019-2020 school year, the Cameron Academy of Virtual Education was serving a total of 104 students in grades K-12. Of the twelve seniors enrolled in the program, nine graduated. CAVE ended the 2019-2020 school year with 84 open enrolled (80.8%).

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. 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, 2020**

SECTION IV: FINANCIAL PERFORMANCE OF CHARTER SCHOOLS (CONTINUED)

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 2019-2020 school year totaled \$292,002. Expenditures for the program totaled \$272,669.

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 95 students enrolled with the CAVE program initially in the fall of 2019, a budget was adopted in the amount of \$551,576. At a per student revenue of \$5,800, the anticipated revenue for the program was \$551,000. This equated to a balanced budget for the program. Actual expenditures for the year totaled \$538,213.

However, CAVE ended the 2019-2020 school year with 84 open enrolled students. The District received a per student revenue of \$7,771 for full year enrolled students and lesser amounts for remaining students due to partial year enrollments. Estimated total revenue for the District from open-enrolled students within CAVE equated to approximately \$600,000. The difference between the total open enrollment revenue and expenditures for the District resulted in a margin of approximately \$60,000. 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	\$ 195,236
EMPLOYEE BENEFITS	200	27,034
PURCHASED SERVICES	300	21,932
NON-CAPITAL OBJECTS	400	9,443
CAPITAL OBJECTS	500	17,732
INSURANCE & JUDGEMENTS	700	1,277
OTHER	900	15
TOTAL		\$ 272,669

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
CHARTER SCHOOL AUTHORIZER ANNUAL REPORT (CONTINUED)
YEAR ENDED JUNE 30, 2020**

SECTION VI: AUTHORIZER OPERATING COSTS (CONTINUED)

Cameron Academy of Virtual Education (CAVE)

OPERATING ACTIVITY	WUFAR OBJECT CODE	COST
EMPLOYEE SALARIES	100	\$ 355,122
EMPLOYEE BENEFITS	200	72,234
PURCHASED SERVICES	300	3,742
NONCAPITAL OBJECTS	400	107,115
TOTAL		\$ 538,213

SECTION VII: SERVICES PROVIDED TO CHARTER SCHOOLS

North Star Academy

SERVICES PROVIDED	FUNCTION CODE	COST
REGULAR CURRICULUM	120000	\$ 231,912
OTHER IMPROVEMENT OF INSTRUCTION	221900	2,400
GENERAL OPERATIONS	253000	15,050
FACILITIES ACQUISITION & REMODELING	255000	17,732
INFORMATION	263000	4,298
INSURANCE	270000	1,277
TOTAL		\$ 272,669

Cameron Academy of Virtual Education (CAVE)

SERVICES PROVIDED	FUNCTION CODE	COST
REGULAR CURRICULUM	120000	\$ 368,375
OTHER INSTRUCTION STAFF SUPERVISION	240000	169,838
TOTAL		\$ 538,213

SINGLE AUDIT SECTION

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020**

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, 2019	Expenditures	Grant Reimburse- ments	Accrued Receivable (Deferred Revenue) June 30, 2020
<u>U.S. Department of Agriculture</u>								
Child Nutrition Cluster:								
School Breakfast Program:								
COVID-19 - School Breakfast Program	10.553	WI DPI	2020-030903-DPI-SB-Severe-546	\$ -	\$ -	\$ 2,599	\$ 2,599	\$ -
School Breakfast Program		WI DPI	2020-030903-DPI-SB-Severe-546	-	6,360	25,001	31,361	-
Total School Breakfast Program (CFDA 10.553)				-	6,360	27,600	33,960	-
National School Lunch Program:								
COVID-19 - National School Lunch Program	10.555	WI DPI	2020-030903-DPI-NSL-547	-	-	10,414	10,414	-
National School Lunch Program		WI DPI	2020-030903-DPI-NSL-547	-	26,117	112,649	138,766	-
Food Distribution		WI DPI	A001-00000-030903	-	-	31,475	31,475	-
COVID-19 - Snack Program		WI DPI	2020-030903-DPI-SK_NSL-561	-	-	58	58	-
Snack Program		WI DPI	2020-030903-DPI-SK_NSL-561	-	188	758	946	-
Total National School Lunch Program (CFDA 10.555)				-	26,305	155,354	181,659	-
Summer Food Service Program:								
COVID-19 - Summer Food Service Program	10.559	WI DPI	2020-030903-DPI-SFSP-566	-	-	35,980	35,980	-
Summer Food Service Program		WI DPI	2020-030903-DPI-SFSP-566	-	3,185	5,116	8,301	-
Total Summer Food Service Program (CFDA 10.559)				-	3,185	41,096	44,281	-
Total Child Nutrition Cluster				-	35,850	224,050	259,900	-
<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	2020-030903-TIA-141	-	26,453	134,695	135,791	25,357
Comprehensive Supports and Improvements (CSI)		WI DPI	2020-030903-CSI-148	-	16,899	84,905	93,786	8,018
Total Title I Cluster				-	43,352	219,600	229,577	33,375
Special Education Cluster:								
Special Education Grants to States:								
IDEA-Title I Schoolwide	84.027	WI DPI	2020-030903-DPI-IDEA-F-341	-	16,015	16,000	16,015	16,000
IDEA Flow Through		WI DPI	2020-030903-DPI-IDEA-F-341	-	257,032	234,606	257,032	234,606
Total Special Education Grants to States				-	273,047	250,606	273,047	250,606
Special Education Preschool Grants (IDEA Preschool Entitlement)								
Preschool Entitlement	84.173	WI DPI	2020-030903-DPI-IDEA-P-347	-	9,665	3,313	9,665	3,313
Total Special Education Cluster				-	282,712	253,919	282,712	253,919
Improving Teacher Quality State Grants	84.367	WI DPI	2020-030903-TIIA-365	-	7,119	32,224	32,664	6,679
Total Department of Education				-	333,183	505,743	544,953	293,973
<u>U.S. Department of Health and Human Services</u>								
Medicaid Cluster - School Based Services	93.778	WI DHS	Provider #44235700	-	-	54,033	54,033	-
Total Federal Program Awards				\$ -	\$ 369,033	\$ 783,826	\$ 858,886	\$ 293,973

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, 2020**

Award Agency/ Pass-Through Agency/Award Description	State I.D. Number	State Grant Number	Accrued Receivable (Deferred Revenue) July 1, 2019	State Expenditures	State Reimburse- ments	Accrued Receivable (Deferred Revenue) June 30, 2020
<u>Wisconsin Department of Public Instruction</u>						
Major State Programs:						
Special Education and School Age Parents:	255.101	030903-100	[1]			
Internal District Programs			-	359,544	359,544	-
Participant in Package Program at CESA No. 11			-	18,916	18,916	-
Total Special Education Program			-	378,460	378,460	-
General Equalization	255.201	030903-116	\$ 116,149	\$ 7,125,581	\$ 7,130,637	\$ 111,093
Per Pupil Aid	255.945	030903-113	-	675,962	675,962	-
Total Major Programs			116,149	8,180,003	8,185,059	111,093
Nonmajor State Programs:						
State Lunch	255.102	030903-107	-	4,727	4,727	-
Common School Fund	255.103	030903-104	-	37,360	37,360	-
Pupil Transportation	255.107	030903-102	-	26,360	26,360	-
Morning Milk Program	255.115	030903-109	-	3,695	3,695	-
High Cost Special Education	255.210	030903-119	-	23,856	23,856	-
Supplemental Per Pupil Aid	255.245	030903-181	-	3,058	3,058	-
School Based Mental Health Services	255.297	030903-177	-	74,414	39,451	34,963
School Breakfast Program	255.344	030903-108	-	2,071	2,071	-
Early College Credit Program	255.445	030903-178	-	357	357	-
Student Achievement Guarantee in Education	255.504	030903-160	-	279,401	279,401	-
Educator Effectiveness	255.940	030903-154	-	7,440	7,440	-
Career and Technical Education Incentive Grant	255.950	030903-152	-	11,718	11,718	-
Assessment of Reading Readiness	255.956	030903-166	-	2,103	2,103	-
<u>Wisconsin Department of Workforce Development</u>						
Youth Apprenticeship Grant	445.107	CESA #11	-	11,945	11,945	-
<u>Wisconsin Department of Justice</u>						
School Safety Grant	455.206	2018-SSI-01-14619	24,032	30,381	53,563	850
Total Nonmajor Programs			24,032	518,886	507,105	35,813
 Total State Financial Assistance			 \$ 140,181	 \$ 8,698,889	 \$ 8,692,164	 \$ 146,906

[1] District's 2019-2020 Aidable Costs Reported to DPI Totaled \$1,651,785.

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, 2020**

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, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 16, 2020.

Internal Control Over Financial Reporting

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

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 2020-001, 2020-002 and 2020-003 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 16, 2020



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 the 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, 2020. 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 opinions on compliance for each major federal and state programs. However, our audit does not provide qualified and 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 2020-004. 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, 2020.

Unmodified Opinion on Each of the Other Major 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 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, 2020.

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 deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2020-004 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 16, 2020

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF FINDINGS
YEAR ENDED JUNE 30, 2020**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? 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) 10.553, 10.555, 10.559 84.027, 84.173	Name of Federal Program or Cluster Child Nutrition Cluster Special Education Cluster
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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, 2020**

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
255.101	Special Education and School Age Parents
255.201	General Equalization Aids
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, 2020**

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 16, 2020

**SCHOOL DISTRICT OF CAMERON
CAMERON, WISCONSIN
SCHEDULE OF FINDINGS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Section II – Findings Related to the Financial Statements

FINDING: 2020-001 Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP)

Type of Finding: Material Weakness

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: Due to limited personnel resources, 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.

Repeat Finding: See 2019-001

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, 2020**

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

FINDING: 2020-002 Material Audit Adjustments

Type of Finding: Material Weakness

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.

Repeat Finding: See 2019-002

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, 2020**

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

FINDING: 2020-003 Limited Segregation of Duties

Type of Finding: Material Weakness

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.

Repeat Finding: See 2019-003

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, 2020**

Section III – Findings Related to Major Federal Award Programs

FINDING: 2020-004 **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)

Type of Finding: Material Weakness

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.

Repeat Finding: See 2019-004

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 2020-21. 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