

**SCHOOL DISTRICT OF THORP**  
Thorp, Wisconsin

FINANCIAL STATEMENTS

Including Independent Auditors' Report

As of and for the Year Ended June 30, 2019

# SCHOOL DISTRICT OF THORP

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## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
School District of Thorp  
Thorp, 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 Thorp, Wisconsin, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School District of Thorp's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control over financial reporting relevant to the School District of Thorp'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 School District of Thorp's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School District of Thorp, Wisconsin, as of June 30, 2019 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

Management has omitted the 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 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 School District of Thorp's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2019 on our consideration of the School District of Thorp's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District of Thorp'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 School District of Thorp's internal control over financial reporting and compliance.

*Baker Tilly Virchow Krause, LLP*

Eau Claire, Wisconsin  
November 26, 2019

# SCHOOL DISTRICT OF THORP

## STATEMENT OF NET POSITION As of June 30, 2019

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### ASSETS

#### Current

Cash and investments	\$ 1,232,197
Taxes receivable	705,008
Accounts receivable	3,026
Due from other governments	352,101
Total Current Assets	<u>2,292,332</u>

#### Noncurrent

Land	1,125,000
Capital assets, net of depreciation	10,070,539
Total Noncurrent Assets	<u>11,195,539</u>

Total Assets	<u>13,487,871</u>
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### DEFERRED OUTFLOWS OF RESOURCES

Pension related amounts	<u>2,166,353</u>
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### LIABILITIES

#### Current

Accounts payable	21,033
Accrued payroll and related liabilities	475,928
Accrued interest	53,962
Deposits	5,641
Current portion of general obligation debt	369,500
Total Current Liabilities	<u>926,064</u>

#### Noncurrent

Noncurrent portion of general obligation debt	6,383,130
Noncurrent portion of other long-term obligations	838,914
Total Noncurrent Liabilities	<u>7,222,044</u>

Total Liabilities	<u>8,148,108</u>
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### DEFERRED INFLOWS OF RESOURCES

Pension related amounts	<u>1,158,304</u>
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### NET POSITION

Net investment in capital assets	4,860,326
Restricted for:	
Debt service	168,072
Long term capital improvement	2,005
Unrestricted	<u>1,317,409</u>

<b>TOTAL NET POSITION</b>	<b><u>\$ 6,347,812</u></b>
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See accompanying notes to financial statements.

**SCHOOL DISTRICT OF THORP**

STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
<b>Instruction</b>				
Regular instruction	\$ 3,065,638	\$ 504,405	\$ 596,741	\$ -
Vocational instruction	370,981	-	16,000	-
Special instruction	865,892	46,015	404,731	-
Other instruction	249,325	14,240	-	-
Total Instruction	<u>4,551,836</u>	<u>564,660</u>	<u>1,017,472</u>	<u>-</u>
<b>Community Service</b>	<u>19,903</u>	<u>1,590</u>	<u>-</u>	<u>-</u>
<b>Support Service</b>				
Pupil services	328,493	-	-	-
Instructional staff services	341,505	-	30,854	-
Administration	835,067	-	-	-
Buildings and grounds	902,822	180	-	-
Transportation	444,765	-	66,087	-
Other support services	419,090	-	-	-
Food service	409,629	101,528	220,822	-
Interest on debt	204,070	-	-	-
Depreciation - unallocated	339,361	-	-	-
Total Support Services	<u>4,224,802</u>	<u>101,708</u>	<u>317,763</u>	<u>-</u>
Total Governmental Activities	<u>\$ 8,796,541</u>	<u>\$ 667,958</u>	<u>\$ 1,335,235</u>	<u>\$ -</u>
<b>General Revenues</b>				
Property taxes				
General purposes				1,454,976
Debt service				627,896
Community service				25,000
State and federal aids not restricted to specific functions				
General equalized aid				3,858,306
Other				648,865
Investment income				63,410
Miscellaneous				66,428
Total General Revenues				<u>6,744,881</u>
<b>Change in Net Position</b>				<u>(48,467)</u>
NET POSITION - Beginning of Year				<u>6,396,279</u>
<b>NET POSITION - END OF YEAR</b>				<u>\$ 6,347,812</u>

See accompanying notes to financial statements.

## SCHOOL DISTRICT OF THORP

### BALANCE SHEET GOVERNMENTAL FUNDS As of June 30, 2019

	General Fund	Special Education Special Revenue Fund	General Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and investments	\$ 981,203	\$ -	\$ -	\$ 250,994	\$ 1,232,197
Taxes receivable	705,008	-	-	-	705,008
Accounts receivable	-	-	-	3,026	3,026
Due from other governments	266,181	77,098	-	8,822	352,101
Due from other funds	83,305	-	-	-	83,305
<b>TOTAL ASSETS</b>	<b>\$ 2,035,697</b>	<b>\$ 77,098</b>	<b>\$ -</b>	<b>\$ 262,842</b>	<b>\$ 2,375,637</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 21,033	\$ -	\$ -	\$ -	\$ 21,033
Accrued payroll and related liabilities	475,928	-	-	-	475,928
Due to other funds	-	77,098	-	6,207	83,305
Deposits	-	-	-	5,641	5,641
Total Liabilities	496,961	77,098	-	11,848	585,907
Fund Balances					
Restricted	-	-	-	224,039	224,039
Assigned	-	-	-	26,955	26,955
Unassigned	1,538,736	-	-	-	1,538,736
Total Fund Balance	1,538,736	-	-	250,994	1,789,730
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,035,697</b>	<b>\$ 77,098</b>	<b>\$ -</b>	<b>\$ 262,842</b>	<b>\$ 2,375,637</b>

See accompanying notes to financial statements.



## SCHOOL DISTRICT OF THORP

### RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

As of June 30, 2019

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Total fund balance - governmental funds		\$ 1,789,730
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in government activities are not financial resources and, therefore, are not reported in the fund statements. See Note III.C.		11,195,539
Some deferred outflows of resources and deferred inflows of resources are not reported in the fund statements. These consist of:		
Deferred outflows - pension related amounts		2,166,353
Deferred inflows - pension related amounts		(1,158,304)
Governmental funds report the effect of premiums, losses, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Below are the net effects of these differences:		
Unamortized premium		(289,213)
Long-term liabilities, including bond and notes payable, are not due in the current period and, therefore, are not reported in the fund statements.		
Long-term liabilities at year end consist of:		
General obligation debt	(6,463,417)	
Accrued interest on general obligation debt	(53,962)	
Net pension liability - WRS	(838,914)	(7,356,293)
<b>TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES</b>		<b>\$ <u>6,347,812</u></b>

See accompanying notes to financial statements.

## SCHOOL DISTRICT OF THORP

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS For the Year Ended June 30, 2019

	General Fund	Special Education Special Revenue Fund	General Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Property taxes	\$ 1,454,976	\$ -	\$ -	\$ 652,896	\$ 2,107,872
Other local sources	74,320	-	51,422	103,140	228,882
Interdistrict sources	495,452	46,015	-	-	541,467
Intermediate sources	57,841	68,407	-	-	126,248
State sources	4,838,801	169,441	-	9,164	5,017,406
Federal sources	343,039	144,056	-	211,658	698,753
Other sources	25,861	-	-	-	25,861
<b>Total Revenues</b>	<u>7,290,290</u>	<u>427,919</u>	<u>51,422</u>	<u>976,858</u>	<u>8,746,489</u>
<b>EXPENDITURES</b>					
<b>Instruction</b>					
Regular instruction	3,259,211	-	-	-	3,259,211
Vocational instruction	353,744	-	-	-	353,744
Special instruction	-	829,762	-	-	829,762
Other instruction	239,300	-	-	-	239,300
<b>Total Instruction</b>	<u>3,852,255</u>	<u>829,762</u>	<u>-</u>	<u>-</u>	<u>4,682,017</u>
<b>Community Service</b>					
	-	-	-	19,903	19,903
<b>Support Service</b>					
Pupil services	177,590	148,232	-	-	325,822
Instructional staff services	210,999	127,048	-	-	338,047
Administration	797,689	1,400	-	-	799,089
Buildings and grounds	651,125	-	3,916,019	-	4,567,144
Transportation	444,765	-	-	-	444,765
Debt service	125	-	-	584,693	584,818
Other support services	416,164	2,100	-	-	418,264
Food service	-	-	-	403,186	403,186
<b>Total Support Services</b>	<u>2,698,457</u>	<u>278,780</u>	<u>3,916,019</u>	<u>987,879</u>	<u>7,881,135</u>
<b>Total Expenditures</b>	<u>6,550,712</u>	<u>1,108,542</u>	<u>3,916,019</u>	<u>1,007,782</u>	<u>12,583,055</u>
Excess of Revenues Over (Under)					
Expenditures	739,578	(680,623)	(3,864,597)	(30,924)	(3,836,566)
<b>OTHER FINANCING SOURCES (USES)</b>					
Sales of capital assets	1,586	-	-	-	1,586
Transfers in	-	680,623	-	79,916	760,539
Transfers out	(760,539)	-	-	-	(760,539)
<b>Total Other Financing Sources (Uses)</b>	<u>(758,953)</u>	<u>680,623</u>	<u>-</u>	<u>79,916</u>	<u>1,586</u>
<b>Net Change in Fund Balances</b>	(19,375)	-	(3,864,597)	48,992	(3,834,980)
FUND BALANCES - Beginning of Year	1,558,111	-	3,864,597	202,002	5,624,710
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,538,736</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 250,994</u>	<u>\$ 1,789,730</u>

See accompanying notes to financial statements.

**SCHOOL DISTRICT OF THORP**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2019

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Net change in fund balances - total governmental funds	\$ (3,834,980)
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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 these assets is allocated over their estimated useful lives and reported as depreciation expense. The following differ in their presentation in the two statements:

Capital outlay is capitalized in the district-wide statements	4,083,545
Depreciation is reported in the district-wide statements	(339,361)
Loss on disposal of capital assets	(21,753)

Debt premiums, discounts, and similar items are reported as other financing sources (uses) or expenditures in the governmental funds. However, in the statement of net assets, these are deferred and allocated over the period the debt is outstanding in the statement of activities.

Amortization	18,711
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal payments	348,346
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Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

This is the change in the following assets/liabilities:

Accrued interest payable	13,691
Net pension liability/asset - WRS (and pension related deferred outflows and inflows of resources)	<u>(316,666)</u>

<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ (48,467)</u></b>
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**SCHOOL DISTRICT OF THORP**

STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
As of June 30, 2019

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	Private- Purpose Trust Fund	Agency Fund
<b>ASSETS</b>		
Cash and investments	<u>\$ 230,581</u>	<u>\$ 105,796</u>
<b>LIABILITIES</b>		
Liabilities		
Due to student organizations	-	<u>\$ 105,796</u>
<b>NET POSITION - held in trust</b>	<u>\$ 230,581</u>	

See accompanying notes to financial statements.

**SCHOOL DISTRICT OF THORP**

STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUND  
For the Year Ended June 30, 2019

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	Private- Purpose Trust Fund
<b>ADDITIONS</b>	
Gifts	\$ 7,250
Investment income	<u>5,100</u>
Total Additions	<u>12,350</u>
<b>DEDUCTIONS</b>	
Scholarships awarded	<u>15,250</u>
<b>Change in Net Position</b>	(2,900)
NET POSITION HELD IN TRUST - Beginning	<u>233,481</u>
<b>NET POSITION HELD IN TRUST - ENDING</b>	<u>\$ 230,581</u>

See accompanying notes to financial statements.

# SCHOOL DISTRICT OF THORP

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# SCHOOL DISTRICT OF THORP

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2019

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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The accounting policies of the School District of Thorp (the "District"), conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

#### **A. REPORTING ENTITY**

This report includes all of the funds of the District. The reporting entity for the District consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The District has not identified any organizations that meet this criteria.

#### **B. DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS**

In April 2018, the GASB issued Statement No 88 - *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This standard was implemented July 1, 2018.

#### ***District-Wide Financial Statements***

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

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

#### ***Fund Financial Statements***

Financial statements of the District are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues, and expenditures/expenses.

# SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

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## NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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### ***B. DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

#### ***Fund Financial Statements (cont.)***

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

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. In addition, any other governmental fund that the District believes is particularly important to financial statement users may be reported as a major fund.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the district-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

- General Fund - accounts for the District's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- Special Education Special Revenue Fund - used to account for and report grants and local revenues that are restricted or committed to expenditures used to provide special education services to District students.
- General Capital Projects Fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The District reports the following nonmajor governmental funds:

Special Revenue Funds - used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

- Food Service
- Community Service

Debt Service Funds - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs.

- Nonreferendum
- Referendum



# SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

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## **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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### ***B. DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

#### ***Fund Financial Statements (cont.)***

The district reports the following nonmajor governmental funds: (cont.)

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

Capital Improvements Trust

In addition, the District reports the following fund types:

Private-Purpose Trust Fund - used to account for and report any trust arrangement not properly reported in a pension trust fund under which principal and income benefit individuals, private organizations, or other governments.

Scholarship

Agency Fund - used to account for and report assets held by the District in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

Student Activity

### ***C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION***

#### ***District-Wide Financial Statements***

The district-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Unbilled receivables are recorded as revenues when services are provided.

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

# SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

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## **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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### ***C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)***

#### ***Fund Financial Statements***

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and revenue.

Intergovernmental aids and grants are recognized as revenues in the period the District is entitled the resources and the amounts are available. Amounts owed to the District which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, and interest. Other general revenues such as student fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above. Charges for special education services are not reduced by anticipated state special education aid entitlement.

Fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

#### ***All Financial Statements***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

# SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

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## NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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### *D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY*

#### **1. Deposits and Investments**

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

- a. Time deposits in any credit union, bank, savings bank or trust company.
- b. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or the Wisconsin Aerospace Authority.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.
- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- g. Repurchase agreements with public depositories, with certain conditions.

Investment of most trust funds, is regulated by Chapter 881 of the Wisconsin Statutes. This section gives broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

The District has adopted an investment policy. That policy requires that District funds are invested at the highest rate and under the best conditions as possible in official depositories designated by the Board, deposits made in any one financial institution are limited to the amounts protected by state and federal law, except as otherwise specifically provided by the Board, and all District investments are made in compliance with legal requirements. No policy exists for interest rate risk.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of district accounting funds is allocated to the general fund. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

# SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

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## NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

#### ***1. Deposits and Investments (cont.)***

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At June 30, 2019, the fair value of the District's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

The District also participates in one Wisconsin Investment Series Cooperative (WISC) fund, which is authorized under Wisconsin Statute 66.0301 and is governed by a commission in accordance with the terms of an intergovernmental cooperation agreement. The WISC is not registered with the SEC as an investment company. The WISC reports to participants on the amortized costs basis. WISC shares are bought and redeemed at \$1 based on the amortized cost of the investments in the pool. The investments in WISC are not subject to the fair value hierarchy disclosures.

See Note III. A. for further information.

#### ***2. Receivables***

General accounts receivable have been adjusted for all known uncollectable accounts. No allowance is necessary at year end.

Property taxes are levied in December on the assessed value as of the prior January 1.

The aggregate amount of property taxes to be levied for school purposes is determined according to the provisions of Chapter 120 of the Wisconsin Statutes. Property taxes levied by the District are certified to local taxing districts for collection. Property taxes attach as an enforceable lien as of January 1.

Property tax calendar - 2018 tax roll:

Lien date and levy date	December 2018
Tax bills mailed	December 2018
Payment in full, or	January 31, 2019
First installment due	January 31, 2019
Second installment due	July 31, 2019

Property taxes are recognized in the fiscal year levied. The District considers all taxes as due prior to the end of the fiscal year. Full receipt of the entire levy is assured within 60 days of the District's fiscal year end.

Property taxes are collected by the local taxing units until January 31. Real estate tax collections after that date are made by the applicable county, which assumes all responsibility for delinquent real estate taxes.

# SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

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## NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

#### ***2. Receivables (cont.)***

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

#### ***3. Capital Assets***

##### ***District-Wide Statements***

Capital assets, which include property, plant and equipment, are reported in the district-wide financial statements. Beginning in fiscal year 2019, capital assets are defined by the district as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings	50 Years
Building improvements	20 Years
Site improvements	10-20 Years
Furniture and equipment	5-15 Years

##### ***Fund Financial Statements***

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

#### ***4. Deferred Outflows of Resources***

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

#### ***5. Long-Term Obligations***

All long-term obligations to be repaid from District resources are reported as liabilities in the district-wide statements. The long-term obligations consist primarily of bonds and notes payable and net pension liabilities.

# SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

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## NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

#### ***5. Long-Term Obligations (cont.)***

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures.

For the district-wide statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

#### ***6. Deferred Inflows of Resources***

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

#### ***7. Equity Classifications***

##### ***District-Wide Statements***

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

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

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.

# SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

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## NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

#### ***7. Equity Classifications (cont.)***

##### ***Fund Statements***

Governmental fund balances are displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the District through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the Board of Education. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Board of Education that originally created the commitment.
- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. The District has adopted a financial policy authorizing the District Superintendent to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

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

The District has a formal minimum fund balance policy. That policy is to maintain a working capital fund of 15%-25% of the anticipated General Fund expenditure budget for the subsequent fiscal year. The unassigned fund balance at year end was \$1,538,736 or 21% of the adopted General Fund budget fiscal year 2020 .

See Note III. G. for further information.

**SCHOOL DISTRICT OF THORP**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

***7. Equity Classifications (cont.)***

Fiduciary fund equity is classified as held in trust for specific purposes on the statement of fiduciary net position. Various donor restrictions apply, including authorizing and spending trust income, and the District believes it is in compliance with all significant restrictions.

***8. Pension***

For purposes of measuring the net pension liability, 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.

**NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

***A. EXCESS EXPENDITURES OVER APPROPRIATIONS***

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
General Fund	\$ 7,222,513	\$ 7,311,251	\$ 88,738
Special Education	1,066,780	1,108,542	41,762
General Capital Projects	3,904,597	3,916,019	11,422
Food Service	390,298	403,186	12,888
Nonreferendum Debt Service	242,693	251,485	8,792
Referendum Debt Service	333,091	333,208	117

The District controls expenditures at the function level. Some individual functions experienced expenditures which exceeded appropriations. The detail of those items can be found in the District's year-end budget to actual report.



# SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

## NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

### *B. LIMITATIONS ON THE DISTRICT'S REVENUES*

Wisconsin statutes limit the amount of revenues that school districts may derive from general school aids and property taxes. The annual revenue increase from these sources is limited to an allowable per member increase that is determined by the legislature.

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

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

## NOTE III - DETAILED NOTES ON ALL FUNDS

### *A. DEPOSITS AND INVESTMENTS*

The District's deposits and investments at year-end were comprised of the following:

	Carrying Value	Statement Balances	Associated Risks
Deposits	\$ 216,629	\$ 570,896	Custodial credit
LGIP	5	5	Credit
WISC Investment Series	1,204,526	1,204,526	Credit
Annuities	147,064	147,150	Credit, interest rate
Petty cash	350	-	N/A
 Total Deposits and Investments	 \$ 1,568,574	 \$ 1,922,577	
 Reconciliation to financial statements			
Per statement of net position			
Unrestricted cash and investments	\$ 1,232,197		
Per statement of net position - fiduciary funds			
Private Purpose Trust	230,581		
Agency	105,796		
 Total Deposits and Investments	 \$ 1,568,574		

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

**SCHOOL DISTRICT OF THORP**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

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**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

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**A. DEPOSITS AND INVESTMENTS (cont.)**

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered in computing custodial credit risk.

***Custodial Credit Risk***

**Deposits**

Custodial credit risk is the risk that in the event of a financial institution failure, the District's deposits may not be returned to the District.

The District does not have any deposits exposed to custodial credit risk.

***Credit Risk***

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The District also held the following types of investments which are either not rated or have unknown ratings:

Wisconsin Local Government Investment Pool  
WISC Investment Series  
Annuities

***Interest Rate Risk***

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of June 30, 2019, the District's investments were as follows:

<u>Investment</u>	<u>Maturity Date</u>	<u>Fair Value</u>
Annuity	6/26/2020	\$ 127,820
Annuity	7/12/2045	<u>19,244</u>
Total		<u>\$ 147,064</u>

See Note I.D.1. for further information on deposit and investment policies.

**B. RECEIVABLES**

All of the receivables on the balance sheet are expected to be collected within one year.

## SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

#### C. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 1,125,000	\$ -	\$ -	\$ 1,125,000
Construction in progress	1,572,182	-	1,572,182	-
Total Capital Assets Not Being Depreciated	<u>2,697,182</u>	<u>-</u>	<u>1,572,182</u>	<u>1,125,000</u>
Capital assets being depreciated				
Site improvements	433,389	-	-	433,389
Buildings and improvements	8,693,111	5,279,852	43,390	13,929,573
Furniture and equipment	<u>3,102,781</u>	<u>375,875</u>	<u>31,906</u>	<u>3,446,750</u>
Total Capital Assets Being Depreciated	<u>12,229,281</u>	<u>5,655,727</u>	<u>75,296</u>	<u>17,809,712</u>
Total Capital Assets	<u>14,926,463</u>	<u>5,655,727</u>	<u>1,647,478</u>	<u>18,934,712</u>
Less: Accumulated depreciation for				
Site improvements	(357,668)	(9,896)	-	(367,564)
Buildings and improvements	(5,788,385)	(198,464)	22,513	(5,964,336)
Furniture and equipment	<u>(1,307,302)</u>	<u>(131,001)</u>	<u>31,030</u>	<u>(1,407,273)</u>
Total Accumulated Depreciation	<u>(7,453,355)</u>	<u>(339,361)</u>	<u>53,543</u>	<u>(7,739,173)</u>
Net Capital Assets Being Depreciated	<u>4,775,926</u>	<u>5,316,366</u>	<u>21,753</u>	<u>10,070,539</u>
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 7,473,108</u>	<u>\$ 5,316,366</u>	<u>\$ 1,593,935</u>	<u>\$ 11,195,539</u>

#### D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

##### Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

Receivable Fund	Payable Fund	Amount
General Fund	Special Education	\$ 77,098
General Fund	Food Service	6,207
Total - Fund Financial Statements		<u>\$ 83,305</u>

**SCHOOL DISTRICT OF THORP**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

***D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (cont.)***

***Interfund Receivables/Payables (cont.)***

All amounts are due within one year.

The principal purpose of this interfund is to cover negative cash. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

***Transfers***

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
Special Education	General Fund	\$ 680,623	Subsidize operations
Food Service	General Fund	<u>79,916</u>	Subsidize operations
Total - Fund Financial Statements		<u>\$ 760,539</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The above transfers to the special education and food service funds uses unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and Wisconsin Department of Public Instruction directives.

***E. SHORT-TERM DEBT ACTIVITY***

The District issues short-term debt in advance of property tax collections. The fiscal year begins July 1, but tax collections from the municipalities are received beginning the following January.

Short-term debt activity for the year ended June 30, 2019, was as follows:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
Tax and Revenue Anticipation Note	<u>\$ -</u>	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>\$ -</u>

# SCHOOL DISTRICT OF THORP

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2019

### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

#### F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended June 30, 2019, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>Bonds and Notes Payable</b>					
General obligation debt	\$ 5,300,000	\$ -	\$ 170,000	\$ 5,130,000	\$ 215,000
General obligation debt - direct placement	1,511,763	-	178,346	1,333,417	154,500
Premiums	<u>307,924</u>	-	<u>18,711</u>	<u>289,213</u>	-
Sub-totals	<u>7,119,687</u>	-	<u>367,057</u>	<u>6,752,630</u>	<u>369,500</u>
<b>Other Liabilities</b>					
Net pension liability - WRS	-	<u>838,914</u>	-	<u>838,914</u>	-
Total Governmental Activities Long-Term Liabilities	<u>\$ 7,119,687</u>	<u>\$ 838,914</u>	<u>\$ 367,057</u>	<u>\$ 7,591,544</u>	<u>\$ 369,500</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the District may not exceed 10% of the equalized value of taxable property within the District's jurisdiction. The debt limit as of June 30, 2019, was \$26,662,599. Total general obligation debt outstanding at year end was \$6,463,417.

#### General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the District. Notes and bonds in the governmental funds will be retired by future property tax levies accumulated by the debt service funds.

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance June 30, 2019
<b>Governmental Activities</b>					
<u>General Obligation Debt</u>					
GO Refunding Bonds	8/30/2017	4/1/2037	3.00-4.00%	\$ 5,380,000	\$ 5,130,000
<u>General Obligation Debt - Direct Placement</u>					
Taxable GO Notes	10/2/2017	4/1/2026	3.50%	511,167	417,417
GO Notes	12/21/2017	4/1/2027	2.39-4.00%	974,000	<u>916,000</u>
Total Governmental Activities - General Obligation Debt					<u>\$ 6,463,417</u>

**SCHOOL DISTRICT OF THORP**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**F. LONG-TERM OBLIGATIONS (cont.)**

**General Obligation Debt (cont.)**

Debt service requirements to maturity are as follows:

Years	General Obligation Debt		General Obligation Debt - Direct Placement	
	Principal	Interest	Principal	Interest
2020	\$ 215,000	\$ 169,350	\$ 154,500	\$ 45,943
2021	220,000	162,900	166,500	40,008
2022	225,000	156,300	172,500	33,630
2023	235,000	149,550	172,500	27,012
2024	240,000	140,150	182,500	20,408
2025-2029	1,365,000	547,950	484,917	23,806
2030-2034	1,610,000	301,050	-	-
2035-2037	1,020,000	59,850	-	-
Totals	<u>\$ 5,130,000</u>	<u>\$ 1,687,100</u>	<u>\$ 1,333,417</u>	<u>\$ 190,807</u>

**Other Debt Information**

Estimated payments of the net pension liability are not included in the debt service requirement schedules. The net pension liability attributable to governmental activities will be liquidated primarily by the general fund.

**G. NET POSITION/FUND BALANCES**

Net position reported on the district-wide statement of net position at June 30, 2019, includes the following:

**Governmental Activities**

Net Investment in Capital Assets	
Land	\$ 1,125,000
Other capital assets, net of accumulated depreciation	10,070,539
Less: Long-term capital related debt outstanding	(6,046,000)
Less: Unamortized debt premium	<u>(289,213)</u>
Total Net Investment in Capital Assets	<u>\$ 4,860,326</u>

# SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

## NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

### G. NET POSITION/FUND BALANCES (cont.)

#### Governmental Funds

Governmental fund balances reported on the fund financial statements at June 30, 2019, include the following:

	General Fund	Nonmajor Funds	Totals
<b>Fund Balances</b>			
<b>Restricted for:</b>			
Debt service	\$ -	\$ 222,034	\$ 222,034
Long term capital improvements	-	2,005	2,005
<b>Assigned to:</b>			
Community service	-	26,955	26,955
<b>Unassigned:</b>	<u>1,538,736</u>	<u>-</u>	<u>1,538,736</u>
<b>Total Fund Balances</b>	<u>\$ 1,538,736</u>	<u>\$ 250,994</u>	<u>\$ 1,789,730</u>

## NOTE IV - OTHER INFORMATION

### A. EMPLOYEES' RETIREMENT SYSTEM

#### General Information about the Pension Plan

**Plan description.** The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF 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.

# SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

## NOTE IV - OTHER INFORMATION (cont.)

### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

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

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

The WRS also provides death and disability benefits for employees.

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

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



# SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

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## NOTE IV - OTHER INFORMATION (cont.)

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### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

During the reporting period, the WRS recognized \$239,442 in contributions from the District.

Contribution rates for the plan year reported as of June 30, 2019 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers, executives, and elected officials)	6.7%	6.7%

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

At June 30, 2019, the District reported a liability of \$838,914 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the District's proportion was 0.02358035%, which was a decrease of 0.00016391% from its proportion measured as of December 31, 2017.

# SCHOOL DISTRICT OF THORP

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2019

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

For the year ended June 30, 2019, the District recognized pension expense of \$555,099.

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 653,387	\$ 1,154,954
Net differences between projected and actual earnings on pension plan investments	1,225,178	-
Changes in assumptions	141,410	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,067	3,350
Employer contributions subsequent to the measurement date	145,311	-
Total	\$ 2,166,353	\$ 1,158,304

\$145,311 reported as deferred outflows of resources related to pension resulting from the district's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended June 30:	Deferred Outflows of Resources and Deferred Inflows of Resources (net)
2020	\$ 311,992
2021	78,575
2022	136,585
2023	335,586

# SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

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## NOTE IV - OTHER INFORMATION (cont.)

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### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

**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, 2017
Measurement Date of Net Pension Liability (Asset)	December 31, 2018
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-retirement Adjustments*	1.9%

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

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the total pension liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The total pension liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

## SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

<u>Core Fund Asset Class</u>	<u>Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Global Equities	49%	8.1%	5.5%
Fixed Income	24.5	4.0	1.5
Inflation Sensitive Assets	15.5	3.8	1.3
Real Estate	9	6.5	3.9
Private Equity/Debt	8	9.4	6.7
Multi-Asset	4	6.7	4.1
Total Core Fund	110	7.3	4.7
 <u>Variable Fund Asset Class</u>			
U.S. Equities	70	7.6	5.0
International Equities	30	8.5	5.9
Total Variable Fund	100	8.0	5.4

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

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

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

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

## NOTE IV - OTHER INFORMATION (cont.)

### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
District's proportionate share of the net pension liability (asset)	\$3,333,935	\$838,914	\$(1,016,326)

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

### B. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

### C. COMMITMENTS AND CONTINGENCIES

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the district-wide statements as expenses when the related liabilities are incurred.

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

# SCHOOL DISTRICT OF THORP

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2019

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## **NOTE IV - OTHER INFORMATION** (cont.)

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### ***D. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS***

The Governmental Accounting Standards Board (GASB) has approved the following:

- > Statement No. 84, *Fiduciary Activities*
- > Statement No. 87, *Leases*
- > Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- > Statement No. 90, *Majority Equity Interests - An Amendment of GASB Statements No. 14 and No. 61*
- > Statement No. 91, *Conduit Debt*

When they become effective, application of these standards may restate portions of these financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

# SCHOOL DISTRICT OF THORP

## BUDGETARY COMPARISON SCHEDULE GENERAL FUND For the Year Ended June 30, 2019

	Budgeted Amounts Original and Final	Actual	Variance with Final Budget
<b>REVENUES</b>			
Property taxes	\$ 1,454,976	\$ 1,454,976	\$ -
Other local sources	72,550	74,320	1,770
Interdistrict sources	471,760	495,452	23,692
Intermediate sources	64,900	57,841	(7,059)
State sources	4,828,327	4,838,801	10,474
Federal sources	302,000	343,039	41,039
Other sources	23,000	25,861	2,861
Total Revenues	7,217,513	7,290,290	72,777
<b>EXPENDITURES</b>			
<b>Instruction</b>			
Regular instruction	3,247,425	3,259,211	(11,786)
Vocational instruction	370,184	353,744	16,440
Other instruction	238,597	239,300	(703)
Total Instruction	3,856,206	3,852,255	3,951
<b>Support Services</b>			
Pupil services	181,823	177,590	4,233
Instructional staff services	192,440	210,999	(18,559)
Administration	809,935	797,689	12,246
Buildings and grounds	581,308	651,125	(69,817)
Transportation	449,500	444,765	4,735
Debt payment	10,000	125	9,875
Other support services	423,087	416,164	6,923
Total Support Services	2,648,093	2,698,457	(50,364)
Total Expenditures	6,504,299	6,550,712	(46,413)
Excess of Revenues Over Expenditures	713,214	739,578	26,364
<b>OTHER FINANCING SOURCES (USES)</b>			
Sales of capital assets	5,000	1,586	(3,414)
Transfers out	(718,214)	(760,539)	(42,325)
Total Other Financing Sources (Uses)	(713,214)	(758,953)	(45,739)
Net Change in Fund Balance	\$ -	(19,375)	\$ (19,375)
FUND BALANCE - Beginning of Year		1,558,111	
FUND BALANCE - END OF YEAR		\$ 1,538,736	

See independent auditors' report and accompanying notes to required supplementary information.



## SCHOOL DISTRICT OF THORP

### BUDGETARY COMPARISON SCHEDULE SPECIAL EDUCATION SPECIAL REVENUE FUND For the Year Ended June 30, 2019

	Budgeted Amounts <u>Original and Final</u>	<u>Actual</u>	Variance with <u>Final Budget</u>
<b>REVENUES</b>			
Interdistrict sources	\$ 46,015	\$ 46,015	\$ -
Intermediate sources	79,000	68,407	(10,593)
State sources	180,000	169,441	(10,559)
Federal sources	<u>106,000</u>	<u>144,056</u>	<u>38,056</u>
Total Revenues	<u>411,015</u>	<u>427,919</u>	<u>16,904</u>
<b>EXPENDITURES</b>			
<b>Instruction</b>			
Special instruction	<u>782,322</u>	<u>829,762</u>	<u>(47,440)</u>
<b>Support Services</b>			
Pupil services	149,161	148,232	929
Instructional staff services	130,797	127,048	3,749
Administration	4,500	1,400	3,100
Other support services	<u>-</u>	<u>2,100</u>	<u>(2,100)</u>
Total Support Services	<u>284,458</u>	<u>278,780</u>	<u>5,678</u>
Total Expenditures	<u>1,066,780</u>	<u>1,108,542</u>	<u>(41,762)</u>
Excess of Revenues Over (Under) Expenditures	(655,765)	(680,623)	(24,858)
<b>OTHER FINANCING SOURCES</b>			
Transfers in	<u>655,765</u>	<u>680,623</u>	<u>24,858</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE - Beginning of Year		<u>-</u>	
FUND BALANCE - END OF YEAR		<u>\$ -</u>	

See independent auditors' report and accompanying notes to required supplementary information.

**SCHOOL DISTRICT OF THORP**

SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
WISCONSIN RETIREMENT SYSTEM (WRS)  
For the Year Ended June 30, 2019

WRS Fiscal Year End Date (Measurement Date)	District's Proportion of the Net Pension Liability/Asset	District's Proportionate Share of the Net Pension Liability (Asset)	District's Calendar Year Covered Payroll	District's Proportionate Share of the Net Pension Liability/Asset as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/18	0.02358035%	\$ 838,914	\$ 3,573,740	23.47%	96.45%
12/31/17	0.02374426%	(704,995)	3,530,457	19.97%	102.93%
12/31/16	0.02359640%	194,491	3,431,377	5.67%	99.12%
12/31/15	0.02362546%	383,909	3,353,194	11.45%	98.20%
12/31/14	0.02363199%	(580,307)	3,266,284	17.77%	102.74%

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
WISCONSIN RETIREMENT SYSTEM (WRS)  
For the Year Ended June 30, 2019

District Year End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Fiscal Year Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/19	\$ 246,386	\$ 246,386	\$ -	\$ 3,727,077	6.61%
6/30/18	232,245	232,245	-	3,445,410	6.74%
6/30/17	226,472	226,472	-	3,431,377	6.60%
6/30/16	229,161	229,161	-	3,353,194	6.83%
6/30/15	228,640	228,640	-	3,266,284	7.00%

See independent auditors' report and accompanying notes to required supplementary information.

## SCHOOL DISTRICT OF THORP

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended June 30, 2019

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#### **NOTE 1 – BUDGETARY INFORMATION**

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Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note I. C. A budget has been adopted for all governmental funds in accordance with Sections 65.90 of the Wisconsin Statutes.

The budgeted amounts presented include any amendments made. Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year. Budgets are adopted at the two digit sub-function level of expenditures in the general fund and special education special revenue fund and at the function level for all other funds.

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#### **NOTE 2 – WISCONSIN RETIREMENT SYSTEM (WRS) PENSION**

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The amounts determined for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

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

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

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

**SUPPLEMENTARY INFORMATION**

**SCHOOL DISTRICT OF THORP**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
As of June 30, 2019

	Special Revenue Funds		Debt Service Funds		Capital Improvements Trust Capital Projects Fund	Total Nonmajor Governmental Funds
	Food Service	Community Service	Nonreferendum	Referendum		
<b>ASSETS</b>						
Cash and investments	\$ -	\$ 26,955	\$ 61,922	\$ 160,112	\$ 2,005	\$ 250,994
Accounts receivable	3,026	-	-	-	-	3,026
Due from other governments	8,822	-	-	-	-	8,822
<b>TOTAL ASSETS</b>	<b>\$ 11,848</b>	<b>\$ 26,955</b>	<b>\$ 61,922</b>	<b>\$ 160,112</b>	<b>\$ 2,005</b>	<b>\$ 262,842</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities						
Due to other funds	\$ 6,207	\$ -	\$ -	\$ -	\$ -	\$ 6,207
Deposits	5,641	-	-	-	-	5,641
<b>Total Liabilities</b>	<b>11,848</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,848</b>
Fund Balances						
Restricted	-	-	61,922	160,112	2,005	224,039
Assigned	-	26,955	-	-	-	26,955
<b>Total Fund Balances</b>	<b>-</b>	<b>26,955</b>	<b>61,922</b>	<b>160,112</b>	<b>2,005</b>	<b>250,994</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 11,848</b>	<b>\$ 26,955</b>	<b>\$ 61,922</b>	<b>\$ 160,112</b>	<b>\$ 2,005</b>	<b>\$ 262,842</b>

## SCHOOL DISTRICT OF THORP

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2019

	Special Revenue Funds		Debt Service Funds		Capital Improvements Trust Capital Projects Fund	Total Nonmajor Governmental Funds
	Food Service	Community Service	Nonreferendum	Referendum		
<b>REVENUES</b>						
Property taxes	\$ -	\$ 25,000	\$ 231,496	\$ 396,400	\$ -	\$ 652,896
Other local sources	101,547	1,590	-	-	3	103,140
State sources	9,164	-	-	-	-	9,164
Federal sources	211,658	-	-	-	-	211,658
Total Revenues	322,369	26,590	231,496	396,400	3	976,858
<b>EXPENDITURES</b>						
<b>Community Service</b>	-	19,903	-	-	-	19,903
<b>Support Services</b>						
Debt service	-	-	251,485	333,208	-	584,693
Food service	403,186	-	-	-	-	403,186
Total Support Services	403,186	-	251,485	333,208	-	987,879
Total Expenditures	403,186	19,903	251,485	333,208	-	1,007,782
Excess of Revenues Over (Under) Expenditures	(80,817)	6,687	(19,989)	63,192	3	(30,924)
<b>OTHER FINANCING SOURCES</b>						
Transfers from other funds	79,916	-	-	-	-	79,916
Net Change in Fund Balances	(901)	6,687	(19,989)	63,192	3	48,992
FUND BALANCES - Beginning of Year	901	20,268	81,911	96,920	2,002	202,002
FUND BALANCES - END OF YEAR	\$ -	\$ 26,955	\$ 61,922	\$ 160,112	\$ 2,005	\$ 250,994

**SCHOOL DISTRICT OF THORP**

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -  
AGENCY FUND**

For the Year Ended June 30, 2019

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	<u>Balance 7/1/18</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance 6/30/19</u>
<b>ASSETS</b>				
Cash and investments	<u>\$ 92,288</u>	<u>\$ 210,875</u>	<u>\$ 197,367</u>	<u>\$ 105,796</u>
TOTAL ASSETS	<u>\$ 92,288</u>	<u>\$ 210,875</u>	<u>\$ 197,367</u>	<u>\$ 105,796</u>
<b>LIABILITIES</b>				
Due to student organizations	<u>\$ 92,288</u>	<u>\$ 210,875</u>	<u>\$ 197,367</u>	<u>\$ 105,796</u>
TOTAL LIABILITIES	<u>\$ 92,288</u>	<u>\$ 210,875</u>	<u>\$ 197,367</u>	<u>\$ 105,796</u>