

# ANNUAL FINANCIAL REPORT



FISCAL YEAR ENDING  
JUNE 30

**2021**

# **KENOSHA UNIFIED SCHOOL DISTRICT**

## **SCHOOL BOARD AND ADMINISTRATION**

### **2020-2021**

**Our Vision:** *"To be Wisconsin's top performing urban school district that is highly regarded for continuously exceeding all expectations."*

**Our Mission:** *"Provide excellent, challenging learning opportunities and experiences that prepare each student for success."*

### **MEMBERS OF THE BOARD OF EDUCATION**

Yolanda Adams	President
Todd Battle	Vice President
Tony Garcia	Clerk
Mary Modder	Treasurer
Dr. Todd Alan Price	Member
Atifa Robinson	Member
Rebecca Stevens	Member

### **2020-21 ADMINISTRATION**

Dr. Bethany Ormseth	Interim Superintendent of Schools
Tarik Hamdan	Chief Financial Officer
Julie Housaman	Chief Academic Officer
William Haithcock	Interim Chief of School Leadership
Kevin Neir	Interim Chief Human Resource Officer
Kristopher Keckler	Chief Information Officer
Tanya Ruder	Chief Communication Officer

### **ANNUAL FINANCIAL REPORT PREPARED BY**

Lisa M. Salo, CPA, Accounting Manager

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## INDEPENDENT AUDITORS' REPORT

Board of Education  
Kenosha Unified School District  
Kenosha, Wisconsin

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Kenosha Unified School District (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

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

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditors consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2021, 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***

#### ***Change in Accounting Principle***

As discussed in Note 1.F to the financial statement, in 2021, the District adopted new accounting Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. As a result of the implementation the District reported a restatement for the change in accounting principle. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

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

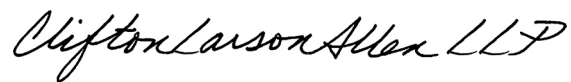
#### ***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

**CliftonLarsonAllen LLP**

Wauwatosa, Wisconsin  
December 9, 2021



## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

The management's discussion and analysis of the Kenosha Unified School District's financial performance provides an overall review of financial activities for the fiscal year. This analysis focuses on school district financial performance as a whole.

### OVERVIEW OF THE ANNUAL FINANCIAL REPORT

The annual financial report includes the management's discussion and analysis, basic financial statements, required supplementary information, and supplementary information. The basic financial statements include the District-wide financial statements, fund financial statements, and notes to the financial statements. The District's annual financial report also provides an additional section called federal and state awards as required by award granting agencies. The annual financial report is the responsibility of the District administration. The independent auditors' reports included in the annual financial report provide various assurances on the annual financial report and are the auditors' responsibility.

### **Basic Financial Statements**

#### **District-wide Financial Statements**

The *statement of net position* and *statement of activities* comprise the District-wide financial statements. These statements present an aggregate view of the District's finances, similar to a private-sector business. Both statements distinguish functions that are supported principally by property taxes and intergovernmental revenues, called *governmental activities*.

The *statement of net position* presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the District's financial situation is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the year. This statement reports the cost of governmental functions and the financing of those functions in the fiscal year.

#### **Fund Financial Statements**

A grouping of related accounts used to maintain control over resources segregated for specific activities defines a fund. Fund statements report operations in more detail than the District-wide statements and provide information that may help evaluate a district's near-term financing requirements. Three fund types may comprise the Fund financial statements: *governmental, proprietary, and fiduciary*. Governmental funds and fiduciary funds constitute the District's fund financial statements. The District does not have any proprietary funds.





## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

### **Governmental Funds**

*Governmental funds* report using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. In general, the type of revenues that come in and the expenditures paid out define the fund types' focus. *Governmental funds* include the General Fund, Special Revenue Funds (Head Start, Special Revenue Trust, Food Service, and Community Service), Debt Service Fund, and Capital Projects Fund. Under generally accepted accounting principles, the Special Education Fund (Fund 27) activities are reported with general fund activities because a transfer from the General Fund (Fund 10) finances the excess expenditures within the Special Education Fund.

The District produces *fund financial statements* for this fund type. There are two fund financial statements, the *balance sheet* and the *statement of revenues, expenditures, and changes in fund balances* (operating statement). Financial information for the major funds is presented separately on both the balance sheet and the statement of revenues, expenditures, and changes in fund balances. The General Fund, Capital Projects Fund, and Debt Service Fund are major funds. Data for the non-major funds combine into a single, aggregated column. The non-major funds consist of the Special Revenue Trust Fund, Head Start Fund, Food Service Fund, and Community Service Fund. The supplementary information provides detailed information for each of the individual non-major funds.

A reconciliation to facilitate the comparison of the statement of net position to the governmental fund's balance sheet is presented. Also, a separate reconciliation from the statement of activities to the statement of revenues, expenditures, and changes in fund balances of governmental funds is presented. Both reconciliations are presented after the corresponding statement.

The District adopts an annual budget for its governmental funds. Budgetary comparison statements for the general fund and any major special revenue funds have been provided in the required supplementary information to demonstrate budget compliance as required by generally accepted accounting principles.

### **Proprietary Funds**

*Proprietary funds* operate similarly to a business. These funds have exchange transactions where each party receives and gives up nearly equal value for the essential activity for that fund. This fund type uses the accrual basis of accounting. The District does not have any proprietary funds.



## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

### ***Fiduciary Funds***

The District also serves as a trustee, or fiduciary, for a retiree benefits fund to provide for obligated premiums that the District has in relation to retired employees' prior service. The assets of these organizations do not directly benefit the District. The District's responsibility is limited to ensuring the assets reported in these funds are used only for their intended purposes. *Fiduciary* activities are excluded from the District-wide financial statements because the District cannot use these assets to finance its operations. These funds follow the accrual basis of accounting that is described above in the District-wide Financial Statement section. There are two fiduciary financial statements, the *statement of net position* and the *statement of changes in net position* (operating statement).

### **Notes to the Financial Statements**

The *notes to the financial statements* provide additional information essential to understanding the data provided in the district-wide and fund financial statements. The notes to the financial statements follow the basic financial statements.

### **Required Supplementary Information**

The *required supplementary information and related notes* contain the information required to be reported under generally accepted accounting principles (GAAP). This information is not audited. Although not part of the basic financial statements, it is considered an essential part of financial reporting. The required supplementary information and related notes follow the notes to the financial statements.

### **Supplementary Information**

The *supplementary information* is provided for additional analysis and is not part of the basic financial statements. It includes the combining fund statements, which provide further details for the non-major governmental funds. This information follows the required supplementary information section.

## **FINANCIAL HIGHLIGHTS**

The assets and deferred outflows of resources of the District exceeded the liabilities and deferred inflows at the close of the fiscal year by \$172.1 million (*net position*), an increase of \$30.6 million over the prior year's restated net position. Discussion of the prior year's net position restatement is discussed in more detail in the Governmental Activities section below. Of this amount, \$128.8 million represents the net investment in capital assets, and \$65.9 million is restricted; this results in an unrestricted net deficit balance of \$22.6 million.

Total capital assets, net of accumulated depreciation and amortization, increased by \$5.0 million due to the continuation of the phase II energy efficiency projects and the addition of leased assets due to the implementation of GASB Statement No. 87 - Leases. The energy efficiency projects are projected to be completed in 2022.

The net pension asset increased by \$28.1 million due to the actuarial study performed on behalf of the State of Wisconsin Retirement System (WRS) with a measurement date of December 31, 2019. The District does not have control over the results of that study.



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

Other liabilities decreased by \$4.1 million due to a reduction in short-term borrowing for cash flow purposes for the fiscal year 2021.

Long-term obligations on Table 8 decreased by \$9.5 million as a result of three fluctuations. First, scheduled principal payments for the general obligation bonds and related premiums decreased by \$9.9 million. Second, the District implemented GASB Statement No. 87 – Leases that increased long-term obligations by \$0.6 million. Lastly, compensated absences decreased by \$0.2 million.

Other post-employment benefits (OPEB) liability increased by \$4.5 million. The OPEB liability is a combination of two plan liabilities. The first OPEB liability included is the Wisconsin Department of Employee Trust Fund (ETF) Local Retiree Life Insurance Fund (LRLIF). The District participates in this multi-employer-defined benefit plan. It must record its proportionate share of the LRLIF in its statement of net position. This LRLIF OPEB obligation has a \$32.1 million liability, increasing \$7.7 million from the prior year. The District does not have control over the results of the LRLIF plan or study.

The District's single-employer defined benefit post-employment benefit plan liability comprises the remaining portion of the accrued other post-employment liability. This plan has an unfunded liability of approximately \$24.8 million, which decreased by approximately \$3.2 million from the previous year. The decrease resulted from the District recently reducing costs by moving to a high deductible health plan starting July 1, 2019, while also contributing more revenues than expenses through a pay-as-you-go-plus funding mechanism. The OPEB liability reflects the effect of this significant plan change.

In governmental funds, the total fund balance decreased by \$.6 million for several different reasons. The General Fund experienced a surplus of revenues over expenditures of \$4.5 million. The Capital Projects Fund experienced the use of \$4.3 million of previously issued bond proceeds from the energy efficiency projects in progress. The Debt Service Fund experienced the use of \$0.5 million due to the timing of the collection of taxes and principal and interest payments made. The debt service fund's fund balance will fluctuate each year based on bond activity and bond payment timing. The non-major government funds experienced a decrease of \$ 0.3 million.

At the end of the current fiscal year, the General Fund's unassigned fund balance was approximately \$58.6 million. District policies require a minimum fund balance policy of 15% and a maximum of 20% of the ensuing year's budgeted General Fund expenditures. The \$58.6 million unassigned fund balance is approximately 20.3% of the fiscal year 2022 budgeted General Fund expenditures and is above the minimum and maximum fund balance amounts.



## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

### FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

#### **Governmental Activities**

As previously stated, the district-wide financial statements are the *statement of net position* and *statement of activities*. These statements present an aggregate view of the District's finances, like a private-sector business. Both statements distinguish functions that are supported principally by property taxes and intergovernmental revenues, called *governmental activities*.

Net position as of July 1, 2020, has been restated due to the District implementing Governmental Accounting Standards Board (GASB) Statements number 84 and 87. GASB Statement No. 84 – Fiduciary Activities now requires the District to record the private purpose benefit trust and pupil activity funds historically presented in the fiduciary funds as part of the District's special revenue trust fund. This GASB Statement required implementation for the fiscal year ending June 30, 2021.

GASB Statement No. 87 – Leases requires the District to evaluate lease arrangements and record the activity on the district-wide financial statements for the right-to-use and financed purchase lease agreements. This GASB Statement requires implementation for the fiscal year ending June 30, 2022. GASB Statement No. 87 – Leases encourages early implementation. The District chose to early-implement the new leasing standards in these financial statements. Table 1 below depicts the restatement.

The most considerable portion of the District's net position is its net investment in capital assets (e. g. land, buildings, and equipment), less related outstanding debt used to acquire those assets. The District uses these assets to provide services to students and consequently are not available for future spending. \$128.8 million represents the net investment in capital assets.

Restricted net position accounts for 38% of the total net position. The restricted net position results from restrictions imposed by external groups such as creditors, grantors, or other governments or through enabling legislation. \$65.9 million is restricted; of this amount, \$1.7 million for debt service, \$1.3 million for food service programs, \$3.9 million for community service programs, \$0.2 million for scholarships, \$0.2 million for grants, and \$58.6 for the net pension asset.

The remaining net position, called unrestricted net position (deficit), decreased \$2.9 million, resulting in a \$22.6 million net deficit. The unrestricted net deficit exists because of the required restriction for the net pension asset of \$58.6 million.



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

**Statement of Net Position**

Table 1 below summarizes the District's statement of net position for the year ended June 30, 2021, compared to 2020.

<b>Table 1</b> <b>Condensed Statement of Net Position</b> <b>(in thousands of dollars)</b>				
	Governmental Activities		\$ Change	% Change
	2021	2020		
<b>Assets</b>				
Current assets	\$ 119,346	\$ 121,662	\$ (2,316)	-1.9%
Net pension asset	58,583	30,491	28,092	92.1%
Capital assets	258,225	253,209	5,016	2.0%
<b>Total Assets</b>	<b>436,154</b>	<b>405,362</b>	<b>30,792</b>	<b>7.6%</b>
<b>Deferred Outflows</b>				
Loss on advance refunding	263	329	(66)	-20.1%
Related to pension	92,598	66,981	25,617	38.2%
Related to OPEB	17,273	12,508	4,765	38.1%
<b>Total Deferred Outflows</b>	<b>110,134</b>	<b>79,818</b>	<b>30,316</b>	<b>38.0%</b>
<b>Liabilities</b>				
Other liabilities	42,962	47,113	(4,151)	-8.8%
Long-term obligations	133,323	140,950	(7,627)	-5.4%
OPEB Liability	56,956	52,433	4,523	8.6%
<b>Total Liabilities</b>	<b>233,241</b>	<b>240,496</b>	<b>(7,255)</b>	<b>-3.0%</b>
<b>Deferred Inflows</b>				
Related to pension	128,514	91,352	37,162	40.7%
Related to OPEB	12,389	13,900	(1,511)	-10.9%
<b>Total Deferred Inflows</b>	<b>140,903</b>	<b>105,252</b>	<b>35,651</b>	<b>33.9%</b>
<b>Net Position</b>				
Net investment in capital assets	128,800	120,754	8,046	6.7%
Restricted	65,932	38,413	27,519	71.6%
Unrestricted (deficit)	(22,588)	(19,735)	(2,853)	-14.5%
<b>Total Net Position</b>	<b>172,144</b>	<b>139,432</b>	<b>32,712</b>	<b>23.5%</b>
Restatement for GASB No. 84 - Fiduciary Activities	-	2,213		
Restatement for GASB No. 87 - Leases	-	(54)		
<b>Total Net Position, restated</b>	<b>\$ 172,144</b>	<b>\$ 141,591</b>	<b>\$ 29,859</b>	<b>21.1%</b>

*Note: May be rounding differences.*



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

***Changes in Net Position***

Table 2 provides summarized operating results and their impact on net position for the year ended June 30, 2021, compared to 2020.

Table 2					
Changes in Net Position from Operating Results (in thousands of dollars)					
	Governmental Activities		\$ Change	% Change	
	2021	2020			
Revenues					
Program Revenues					
Charges for services	\$ 3,679	\$ 4,141	\$ (462)	-11.2%	
Operating grants and contributions	42,263	37,130	5,133	13.8%	
General Revenues					
Property taxes	95,772	87,371	8,401	9.6%	
State and federal aids not restricted	163,392	167,916	(4,524)	-2.7%	
Interest and investment earnings	34	967	(933)	-96.5%	
Miscellaneous	362	890	(528)	-59.3%	
Total Revenues	305,502	298,415	7,087	2.4%	
Expenses					
Instruction	158,856	162,802	(3,946)	-2.4%	
Support services	101,824	105,867	(4,043)	-3.8%	
Community services	536	909	(373)	-41.0%	
Non-program transactions	9,492	7,451	2,041	27.4%	
Interest and fiscal charges	4,151	5,957	(1,806)	-30.3%	
Total Expenses	274,859	282,986	(8,127)	-2.9%	
Change in Net Position	\$ 30,643	\$ 15,429	\$ 15,214	98.6%	

*Note: May be rounding differences.*



## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021**

### **Revenues**

The District relies primarily on property taxes, state and federal aids that are not restricted, and operating grants and contributions to fund District activities and are 31.35%, 53.48%, and 13.83% of total revenues, respectively.

School funding regulations restrict, in combination, property tax, and general state equalization aid amounts. This restriction, called the revenue limit, is intended to help hold down increases in property taxes throughout the state. Property Taxes increased by \$8.4 million or 9.6% from the prior year. State and federal aids not restricted decreased \$4.5 million or 2.7% from the prior year.

General state equalization aid resides within the unrestricted state and federal aids amount. The state calculates general state equalization aid according to a complex formula. The formula considers district spending, pupil counts, and property values compared to spending and property values for the state as a whole. The District's general equalization state aid decreased by \$3,239,095 or 2.16% over the prior year. As a result of the revenue limit, if general equalization aid decreases, then the property tax rate increases; however, the total of the two cannot exceed the revenue limit. The revenue limit and property taxes are discussed further in the Governmental Revenues section of this report.

Other variations between years existed within the sources of revenue as well. Program revenues, in the form of charges for services, decreased \$462 thousand or 11.2% from the prior year due to a significant decrease in student fees collected, as well as little to no sporting activities or other co-curricular and extra-curricular fees collected due to COVID restrictions. Also, the District restricted public building access due to the COVID-19 pandemic; therefore, building rentals were minimal.

Operating grants and contributions increased \$5.1 million for governmental activities compared to the prior year due to the spending of the new federal COVID-19 stimulus funds from the CARES Act. The two specific federal grants used in Fiscal Year 2021 are the Elementary and Secondary School Emergency Relief Fund (ESSER I) and the Governor's Emergency Education Relief Fund (GEERF).

Miscellaneous general revenues include general donations and gifts to the District. Those sources may vary from year to year based on the community's generosity. Interest and investment earnings are earnings on all cash sources. Investment earnings decreased due to an economy slowing down and providing reduced rates of return.

### **Expenses**

Overall, total expenses experienced a net decrease of \$8.1 million or 2.9% compared to the prior year. The combined decreases of \$7.9 million between the instruction and support services functions were caused by a \$4.5 million in unfilled District positions, a \$10.5 million decrease in energy efficiency project expenses, a \$7.1 million increase in the pension and OPEB actuarial estimates. The non-program transaction function continued to see an increase in costs of \$2.0 million due to increasing numbers of students participating in the private school voucher program or open enrolled out of the District. The District continued to see a reduction in interest payments related to the decreasing long-term debt obligations.





## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

### **Total and Net Cost of Governmental Activities**

Table 3 presents the cost of the five major district activities. The table reports each activity's net cost (total cost fewer fees generated by the activities and intergovernmental aid provided for specific programs). The net cost reflects the financial burden placed on the District's taxpayers by each of these functions.

<b>Table 3</b> <b>Total and Net Cost of Governmental Activities</b> <b>(in thousands of dollars)</b>								
	Total Cost of Services		\$ Change	% Change	Net Cost of Services		\$ Change	% Change
	2021	2020			2021	2020		
Instruction	\$ 158,856	\$ 162,802	\$ (3,946)	-2.4%	\$ 130,429	\$ 138,923	\$ (8,494)	-6.1%
Support services	101,824	105,867	(4,043)	-3.8%	86,402	90,583	(4,181)	-4.6%
Community services	536	909	(373)	-41.0%	534	877	(343)	-39.1%
Non-program transactions	9,492	7,451	2,041	27.4%	7,402	5,716	1,686	29.5%
Interest and fiscal charges	4,151	5,957	(1,806)	-30.3%	4,150	5,615	(1,465)	-26.1%
Totals	\$ 274,859	\$ 282,986	\$ (8,127)	-2.9%	\$ 228,917	\$ 241,714	\$ (12,797)	-5.3%

*Note: May be rounding differences.*

The cost of all governmental activities this year was \$274,859,029. Individuals who directly participated or benefited from a program offering paid \$3,678,613 of the costs. Federal and state governments subsidized specific programs with grants and contributions of \$42,263,209. The general revenues of the District financed the net cost of governmental activities totaling \$228,917,207.

### **Governmental Funds**

The District uses fund accounting to provide information on inflows, outflows, and balances of spendable resources. Fund statements report operations in more detail than the district-wide statements and provide information that may help in evaluating a district's near-term financing requirements.





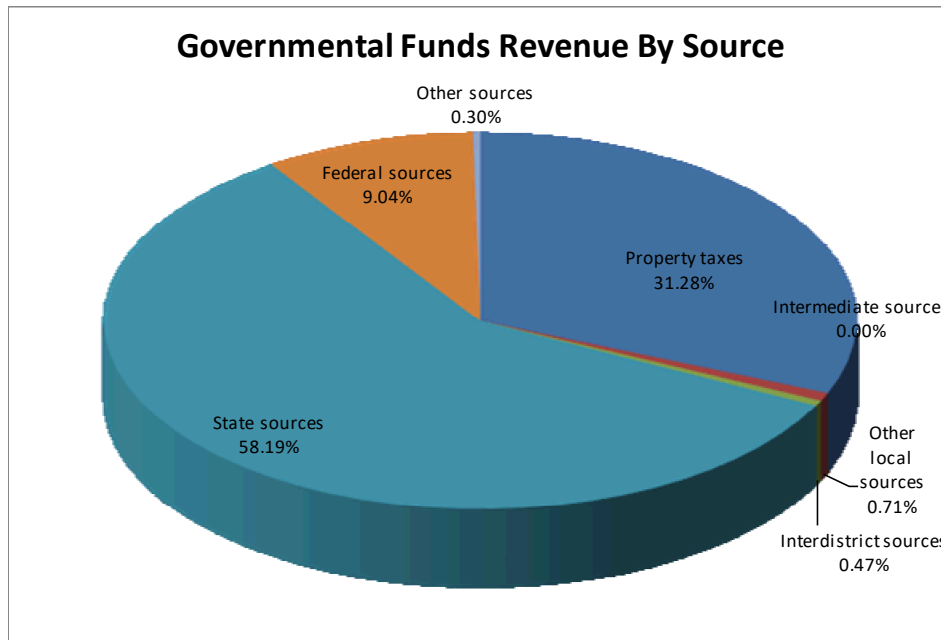
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

**Revenues**

Table 4 presents a comparison of the 2021 governmental funds revenue by source results to the 2020 results.

<b>Table 4</b> <b>Governmental Funds Revenue By Source</b> <b>(in thousands of dollars)</b>				
	2021	2020	\$ Change	% Change
Property taxes	\$ 95,574	\$ 87,179	\$ 8,395	9.63%
Other local sources	2,183	4,468	(2,285)	-51.14%
Interdistrict sources	1,435	1,204	231	19.19%
Intermediate sources	-	118	(118)	-100.00%
State sources	177,830	181,223	(3,393)	-1.87%
Federal sources	27,635	23,318	4,317	18.51%
Other sources	926	905	21	2.32%
<b>Total</b>	<b>\$ 305,583</b>	<b>\$ 298,415</b>	<b>\$ 7,168</b>	<b>2.4%</b>

*Note: May be rounding differences.*





**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

Total governmental fund revenues minimally increased from the prior year in total by 2.4%. However, significant fluctuations occurred amongst the revenue categories. Several of the revenue shifts resulted from the COVID 19 pandemic.

Total property taxes increased 9.63% due to several factors. First, state law mandates that school district revenues be limited or what districts call the revenue limit. The revenue limit, in general, is the combination of general state aid and the local tax levy for funds 10 and 38. In total, the revenue limit for Fiscal Year 2020-2021 increased from the prior year by 2.01%. The general state aid in the revenue limit decreased by 2.6%, allowing more property taxes inside the limit to be collected. As depicted in the chart below, due to the increase in the revenue limit and the reduction of general state aid, the general fund (fund 10) had the ability to levy more taxes in 2020-2021. The District's total property tax levy of \$95,574,353 consists of the following levies:

Fund	2020-2021	2019-2020	Change	%
General (Fund 10)	\$80,475,961	\$71,682,744	\$8,793,217	12.20%
Non-Referendum Debt Service (Fund 38)	6,972,363	6,982,466	(10,103)	(0.10%)
Referendum Debt Service (Fund 39)	6,626,029	7,013,409	(387,380)	(5.50%)
Community Service (Fund 80)	1,500,000	1,500,000	-	0.00%
<b>Total</b>	<b>\$95,574,353</b>	<b>\$87,178,619</b>	<b>\$8,395,734</b>	<b>9.60%</b>

The total allowable general fund tax levy (inside limit) is \$80,475,961. The Debt Service levy is comprised of \$6,972,363 of non-referendum debt (inside of limit) and \$6,626,029 of referendum approved debt (outside of limit). The community service levy (outside of limit) is comprised of \$500,000 to operate the recreation department and senior center, as well as \$1,000,000 for other community service programs.

Other local sources decreased \$2.3 million or 51.14% due to a significant decrease in student fees collected and little to no sporting activities, other co-curricular and extra-curricular fees collected due to COVID-19 restrictions. Also, the District restricted building access due to COVID-19; therefore, building rentals were minimal.

Federal sources increased \$4.3 million or 18.51% from the prior year due to the spending of the new federal COVID stimulus funds from the CARES Act. The two new federal grants used in Fiscal Year 2021 are the Elementary and Secondary School Emergency Relief Fund (ESSER I) and the Governor's Emergency Education Relief Fund (GEERF). The District spent \$3.7 million of ESSER I funds and \$600 thousand of GEERF funds. The remaining federal grant spending remained similar to the prior year.



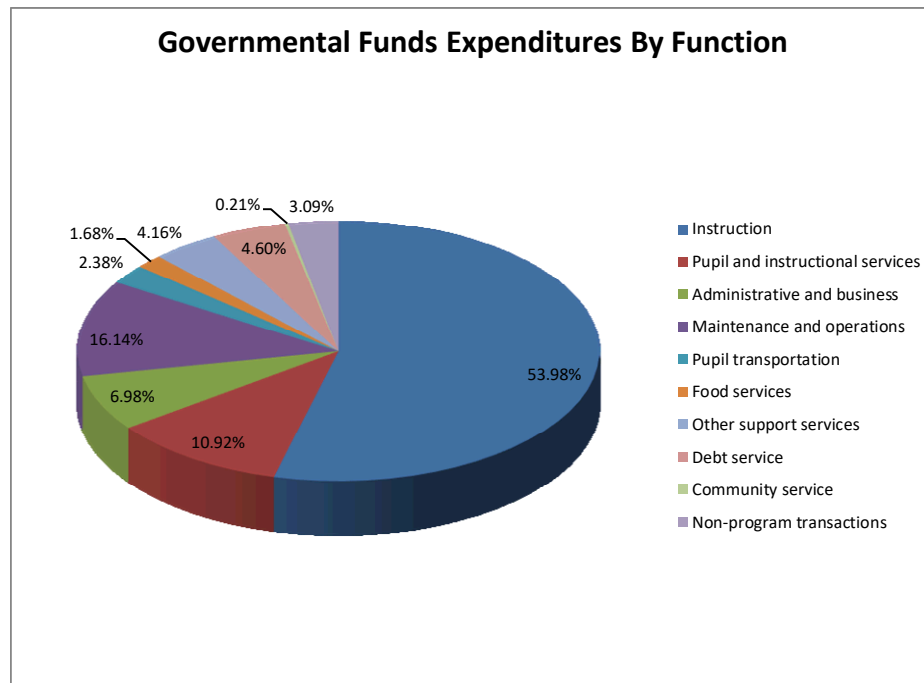
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

**Expenditures**

Table 5 presents a comparison of the 2021 governmental funds expenditures by function results to the 2020 results.

<b>Table 5</b> <b>Governmental Funds Expenditures By Function</b> <b>(in thousands of dollars)</b>				
	2021	2020	\$ Change	% Change
Instruction	\$ 165,965	\$ 161,823	\$ 4,142	2.6%
Pupil and instructional services	33,569	32,549	1,020	3.1%
Administrative and business	21,468	20,687	781	3.8%
Maintenance and operations	36,850	47,402	(10,552)	-22.3%
Pupil transportation	7,309	6,957	352	5.1%
Food services	5,178	7,755	(2,577)	-33.2%
Other support services	12,792	8,389	4,403	52.5%
Debt service	14,145	66,700	(52,555)	-78.8%
Community service	651	913	(262)	-28.7%
Non-program transactions	9,508	7,451	2,057	27.6%
<b>Total</b>	<b>\$ 307,435</b>	<b>\$ 360,626</b>	<b>\$ (53,191)</b>	<b>-14.7%</b>

*Note: May be rounding differences.*





## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

Total governmental expenditures experienced an overall decrease of \$53.2 million or 14.7% from the prior year due to various functions' significant positive or negative changes. Instruction, Pupil and Instructional Services, Administrative and Business, and Other Support Services functions increased in total by \$10.4 million from the prior year. In the preceding year, the COVID-19 pandemic shut down the school buildings from March to June 2020. The shutdown resulted in some reduced expenditures and the expenditures resumed to normal levels in these functions. Also, the same functions saw an increase in new spending of the federal COVID stimulus funds from the CARES Act. The District spent \$3.7 million of ESSER I funds and \$600 thousand of GEERF funds on various expenditures for personal protection equipment for both students and staff and computers and other technological equipment to provide each student with a computer device.

The debt service function decrease of \$52.5 million resulted from a one-time debt refunding of approximately \$45 million that occurred in the prior year and from a current year reduction in principal and interest payments.

The maintenance and operations function decrease resulted from \$10.5 million less spent in energy efficiency project expenditures in the capital projects fund than in the prior year. Approximately \$879,000 is left to spend in the capital projects fund for the energy efficiency projects, which will be completed in 2022.

Non-program expenditures increased by 27.6% due to increasing open enrollment and private school voucher program participation from 2020. The District expects continued increased participation in both programs in the future.

### **Fund Balance**

Table 6 provides a comparison of the governmental fund balances for the current year and the prior year.

<b>Table 6</b> <b>Comparison of Governmental Fund Balances</b> <b>(in thousands of dollars)</b>				
Fund	Fund Balance		\$ Change	% Change
	2021	2020 (Restated)		
General Fund	\$ 66,216	\$ 61,669	\$ 4,547	7.4%
Head Start	-	-	-	0.0%
Special Revenue Trust	2,179	2,292	(113)	100.0%
Food service	1,315	1,946	(631)	-32.4%
Community service	3,882	3,415	467	13.7%
Debt service	2,816	3,354	(538)	-16.0%
Capital projects	879	5,224	(4,345)	-83.2%
	<u>\$ 77,287</u>	<u>\$ 77,900</u>	<u>\$ (613)</u>	<u>-0.8%</u>

*Note: May be rounding differences.*

The District completed the year with a fund balance of \$77,287,964, which decreased from last year's ending fund balance of \$77,900,766 due to the following:



## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021**

The general fund had an increase in fund balance of \$4,547,121. The general fund's actual results are discussed further in the General Fund Budgetary Highlights below.

The special revenue trust fund had a decrease in fund balance of \$113,573. The special revenue trust fund tracks the use of gifts and donations from private parties. As a result of GASB Statement No. 84 – Fiduciary Funds implementation, the special revenue trust fund now also tracks the use of student scholarships and what was formerly called student activity funds.

The food service fund balance had a decrease of \$631,332. The food service department experienced a significant drop in revenues because the District is providing free meals to all students under the CARES Act during the pandemic; however, the meal reimbursement rate for all meals is less than the reimbursement rates under the Free and Reduced National School Lunch and Breakfast Programs.

The community service fund's fund balance will fluctuate each year based on community service activities' timing. In the current year, many of the community programs were canceled due to the COVID-19 pandemic.

The debt service fund balance had a decrease of \$537,845. The debt service fund's fund balance will fluctuate each year based on bond activity and bond payment timing.

The capital project fund had a decrease in the fund balance of \$4,344,720. The capital projects fund balance will fluctuate depending on the various projects' status and the corresponding unspent bond proceeds. Several years ago, the District issued \$75 million in debt obligations to complete phase II of the energy efficiency projects. The energy efficiency expenditures for this fiscal year were \$4.5 million. The District expects the energy efficiency projects to be completed by 2022.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The District authorizes expenditures before the formal adoption of the budget in June for the subsequent fiscal year (beginning July 1st). Consistent with current state statutes and regulations, an original budget is adopted in October, following a determination of the official enrollment, the certification of general state aids, and equalized property valuations. After the October budget adoption, the District then notifies its respective municipalities of their share of the tax levy no later than November 10th, in compliance with Wis. Stat. 120.12(3)(a).

For budgetary purposes, DPI requires the District to separate the special education revenues and expenditures (Fund 27) from the general fund (fund 10) amounts. The required supplementary information section displays the budgetary schedules. The discussion below has been categorized by each fund.



## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021**

### **General Fund (Fund 10)**

The general fund was budgeted, anticipating no change in fund balance. The net change in the fund balance resulted in a surplus of \$4,547,121. Several functional fluctuations comprise the net change. The general fund instruction function, pupil services, and instructional staff services spent less than budget due to unfilled budgeted full-time equivalents (FTE's) during the year. The operations and maintenance function was over budget due to the timing of major maintenance projects. Several major maintenance projects had timing moved up due to imminent repairs required. Pupil transportation was less than budgeted, mainly due to decreased ridership. The insurance function was higher than the budget due to increased unemployment costs due to the pandemic. Other support services expenditures were higher than anticipated due to the unaidable portion of the OPEB contribution over the actuarially determined contribution (ADC) not budgeted in this function. Annually, 100% of the OPEB contributions are budgeted as aidable in the other functions. Non-program expenditures exceeded budget due to increasing open enrollment and private school voucher program participation from 2020. The District expects continued increased participation in the private school voucher program in the future. Lastly, the operating transfer to the special education fund was \$3.3 million less than budgeted.

### **Special Education Fund**

The special education fund was budgeted, anticipating a zero fund balance as required by DPI. To achieve the zero fund balance, the general fund finances excess special education fund expenditures with a transfer to the special education fund. The transfer into the special education fund from the general fund was \$3,328,896 less than budgeted.

The special education fund's expenditures budget to actual results emulates the general fund expenditure budget to actual results for similar reasons. The special education instruction function and support services function spent less than budget due to unfilled budgeted full-time equivalents (FTE's) during the year. Pupil transportation was also less than budgeted, mainly due to decreased ridership.



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

**CAPITAL ASSETS**

At the end of the fiscal year 2021, the District had invested \$377,102,246 in capital assets, including buildings, sites, and equipment (See Table 7). Total accumulated depreciation and amortization on the capital assets totaled \$118,877,154. Capital Asset acquisitions for governmental activities totaled \$13,966,548. The majority of capital asset acquisitions are comprised of energy efficiency projects during the year, as shown in the building and improvements category. The District also removed furniture and equipment that has been disposed of as a result of the construction projects. Total disposals equal \$9,155,957. The District recognized a depreciation/amortization expense of \$8,711,444 for governmental activities. Detailed information about capital assets can be found in Note 2(B) in the notes to the financial statements.

<b>Table 7</b> <b>Capital Assets</b> <b>(in thousands of dollars)</b>				
	Governmental Activities		\$ Change	% Change
	2021	2020		
Land	\$ 10,053	\$ 10,059	\$ (6)	-0.1%
Construction in progress	25	46,872	(46,847)	-99.9%
Land improvements	17,272	17,011	261	1.5%
Buildings and improvements	298,067	272,729	25,338	9.3%
Furniture and equipment	48,583	22,952	25,631	111.7%
Leased Assets (Right to Use)	3,102	2,668	434	16.3%
<b>Total</b>	<b>\$377,102</b>	<b>\$372,291</b>	<b>\$ 4,811</b>	<b>1.3%</b>

*Note: May be rounding differences.*



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

**OUTSTANDING LONG-TERM OBLIGATIONS ADMINISTRATION**

Outstanding long-term obligations include general obligation debt and related premiums and discounts, lease liabilities, and compensated absences. These liabilities are shown below in Table 8.

At the time of issuance, the School Board secures the debt of the District by adopting an irrevocable tax levy. Wisconsin state statutes require that the District segregates the first property tax receipts for annual debt service payments. Long-term obligations decreased by \$9.5 million as a result of three fluctuations. First, scheduled principal payments for the general obligation bonds and related premiums decreased by \$9.9 million. Second, the District implemented GASB Statement No. 87 – Leases that increased long-term obligations by \$0.6 million. Lastly, compensated absences decreased by \$0.2 million.

<b>Table 8</b> <b>Outstanding Long-term Obligations</b> <b>(in thousands of dollars)</b>				
	Governmental Activities		\$ Change	% Change
	2021	2020 (Restated)		
General Obligation Bonds	\$ 118,975	\$ 128,095	\$ (9,120)	-7.1%
Debt premium	9,072	9,913	(841)	-8.5%
Lease Liability - Right to Use	1,771	1,479	292	19.7%
Lease Liability - Financed Purchase	750	436	314	72.0%
Compensated absences	2,756	2,942	(186)	-6.3%
<b>Total</b>	<b>\$ 133,324</b>	<b>\$ 142,865</b>	<b>\$ (9,541)</b>	<b>-6.7%</b>

*Note: May be rounding differences.*





**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

**FACTORS BEARING ON THE DISTRICT'S FUTURE**

Currently known circumstances that will impact the District's financial status in the future are as follows:

The District is continuing to experience expected declining enrollment, primarily attributed to decreased births in the community. This lower birthrate occurred most significantly from 2008 to 2012, which first impacted kindergarten enrollments during the 2013-2014 school year. The 2019-20 enrollment was 20,919. The 2020-21 enrollment was 19,583, reflecting significant losses related to the unprecedented COVID-19 pandemic. A considerable portion of the 2020-21 losses can be attributed to families choosing to delay their children's enrollment in pre-kindergarten and kindergarten early education programs, which are non-mandatory.

On September 18, 2019, Moody's Investors Service affirmed a MIG 1 short-term rating to the District's short-term tax and revenue anticipation promissory notes. This rating is the highest rating for short-term debt obligations. The MIG 1 short-term rating incorporates the historical timeliness and predictability of pledged revenues, which include property tax receipts and state aid, the accuracy of the District's past cash flow projections, as well as the reasonableness of the District's future cash flow projections.

On September 18, 2019, Moody's Investors Service assigned an underlying rating of Aa2 to the District's long-term debt issued in the form of general obligation bonds. The Aa2 rating reflects the District's healthy financial position, sizable and growing tax base, and modest debt burden. Also incorporated are declining enrollment factors and a moderate pension burden.

The District's tax base has experienced modest growth given the recent recovery in property valuations and ongoing development in the local economy. The District, located in Kenosha County along the busy 1-94 transportation corridor and benefits from its position between the converging Milwaukee and Chicago metro areas. Significant development activity in Pleasant Prairie, which is within the District's boundaries, continues to occur. Kenosha County is one of the fastest-growing regions in the State of Wisconsin.

The overall economic conditions continue to be positive in and around Kenosha County. Kenosha County's unemployment rate continues to hover in the low to mid 3% range, with a solid job and employment growth in the County, before the COVID-19 pandemic. The tight labor market is driving wage inflation, particularly in certain entry-level occupations. The strong job market and a growing industrial economy have also fueled residential growth.



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

The District designs the financial report to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and demonstrates the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Kenosha Unified School District Finance Department (262-359-6300), Kenosha Unified School District, 3600 52<sup>nd</sup> Street, Kenosha, WI 53144.

## **BASIC FINANCIAL STATEMENTS**

**KENOSHA UNIFIED SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2021**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 84,745,260
Receivables:	
Taxes	19,848,335
Accounts, Net	3,951,456
Due from Other Governments	9,364,992
Inventories and Prepaid Items	1,435,893
Net Pension Asset	58,582,550
Capital Assets:	
Nondepreciable	10,078,426
Depreciable/Amortizable	248,146,666
Total Assets	<u>436,153,578</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Loss on Advance Refunding	263,025
Pension Related Amounts	92,598,254
Other Postemployment Related Amounts	17,272,961
Total Deferred Outflows of Resources	<u>110,134,240</u>
<b>LIABILITIES</b>	
Short-Term Notes Payable	9,075,000
Accounts Payable	13,873,172
Accrued and Other Current Liabilities	18,445,955
Accrued Interest Payable	1,333,375
Unearned Revenues	57
Deposits Payable	233,302
Long-Term Obligations:	
Due in One Year	9,599,443
Due in More Than One Year	123,724,175
Other Postemployment Benefits Liability	56,956,416
Total Liabilities	<u>233,240,895</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension Related Amounts	128,513,982
Other Postemployment Related Amounts	12,389,430
Total Deferred Inflows of Resources	<u>140,903,412</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	128,799,782
Restricted	65,931,644
Unrestricted	(22,587,915)
Total Net Position	<u><u>\$ 172,143,511</u></u>

See accompanying Notes to Financial Statements.

**KENOSHA UNIFIED SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>GOVERNMENTAL ACTIVITIES</b>					
Instruction	\$ 158,856,418	\$ 618,981	\$ 27,808,409	\$ -	\$ (130,429,028)
Support Services	101,823,751	1,621,442	13,799,827	-	(86,402,482)
Community Services	536,336	2,740	-	-	(533,596)
Nonprogram	9,492,189	1,435,450	654,973	-	(7,401,766)
Interest and Fiscal Charges	4,150,335	-	-	-	(4,150,335)
Total Governmental Activities	<u>\$ 274,859,029</u>	<u>\$ 3,678,613</u>	<u>\$ 42,263,209</u>	<u>\$ -</u>	<u>(228,917,207)</u>
<b>GENERAL REVENUES</b>					
Property Taxes					95,574,353
Other Taxes					199,010
State and Federal Aids Not Restricted to Specific Functions					163,391,555
Interest and Investment Earnings					33,854
Contributions and Gifts					149,555
Miscellaneous					211,951
Total General Revenues					<u>259,560,278</u>
<b>CHANGE IN NET POSITION</b>					30,643,071
Net Position - Beginning of Year, As Restated					<u>141,500,440</u>
<b>NET POSITION - END OF YEAR</b>					<u>\$ 172,143,511</u>

See accompanying Notes to Financial Statements.

**KENOSHA UNIFIED SCHOOL DISTRICT  
BALANCE SHEET — GOVERNMENTAL FUNDS  
JUNE 30, 2021**

	General	Capital Projects	Debt Service	Other Governmental Funds	Total
<b>ASSETS</b>					
Cash and Investments	\$ 74,193,854	\$ 879,444	\$ 2,816,376	\$ 6,855,586	\$ 84,745,260
Receivables					
Taxes	19,848,335	-	-	-	19,848,335
Accounts, Net	3,872,196	-	-	79,260	3,951,456
Due from Other Funds	260,605	-	-	-	260,605
Due from Other Governments	8,910,422	-	-	454,570	9,364,992
Inventories and Prepaid Items	875,422	-	-	560,471	1,435,893
Total Assets	<u>\$ 107,960,834</u>	<u>\$ 879,444</u>	<u>\$ 2,816,376</u>	<u>\$ 7,949,887</u>	<u>\$ 119,606,541</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Short-Term Notes Payable	\$ 9,075,000	\$ -	\$ -	\$ -	\$ 9,075,000
Accounts Payable	13,751,219	-	-	121,953	13,873,172
Accrued and Other Current Liabilities	18,697,964	-	-	-	18,697,964
Accrued Interest Payable	178,477	-	-	-	178,477
Due to Other Funds	-	-	-	260,605	260,605
Unearned Revenues	-	-	-	57	57
Deposits Payable	41,660	-	-	191,642	233,302
Total Liabilities	<u>41,744,320</u>	<u>-</u>	<u>-</u>	<u>574,257</u>	<u>42,318,577</u>
<b>FUND BALANCES</b>					
Nonspendable	875,422	-	-	560,471	1,435,893
Restricted	260,870	879,444	2,816,376	4,866,275	8,822,965
Committed	3,122,705	-	-	1,948,884	5,071,589
Assigned	3,345,417	-	-	-	3,345,417
Unassigned	58,612,100	-	-	-	58,612,100
Total Fund Balances	<u>66,216,514</u>	<u>879,444</u>	<u>2,816,376</u>	<u>7,375,630</u>	<u>77,287,964</u>
Total Liabilities and Fund Balances	<u>\$ 107,960,834</u>	<u>\$ 879,444</u>	<u>\$ 2,816,376</u>	<u>\$ 7,949,887</u>	<u>\$ 119,606,541</u>

See accompanying Notes to Financial Statements.

**KENOSHA UNIFIED SCHOOL DISTRICT  
RECONCILIATION OF THE BALANCE SHEET — GOVERNMENTAL FUNDS TO  
THE STATEMENT OF NET POSITION  
JUNE 30, 2021**

**Reconciliation to the Statement of Net Position**

Total fund balances as shown on previous page	\$ 77,287,964
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	258,225,092
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Some deferred outflows and inflows of resources reflect changes in long-term liabilities (assets) and are not reported in the funds.

Deferred Outflows Loss on Advance Refunding	263,025
Deferred Outflows Related to Pensions	92,598,254
Deferred Inflows Related to Pensions	(128,513,982)
Deferred Outflows Related to Other Postemployment Benefits	17,272,961
Deferred Inflows Related to Other Postemployment Benefits	(12,389,430)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds and Notes Payable	(118,975,000)
Premium on Debt	(9,071,512)
Lease Liability - Right-to-Use	(1,770,977)
Lease Liability - Finance Purchase	(750,290)
Compensated Absences	(2,503,830)
Other Postemployment Benefits Liability	(56,956,416)
Net Pension Liability (Asset)	58,582,550
Accrued Interest on Long-Term Obligations	<u>(1,154,898)</u>

**Net Position of Governmental Activities as Reported on the  
Statement of Net Position (See page 20)**

	<u><u>\$ 172,143,511</u></u>
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**KENOSHA UNIFIED SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	General	Capital Projects	Debt Service	Other Governmental Funds	Total
<b>REVENUES</b>					
Property Taxes	\$ 80,475,961	\$ -	\$ 13,598,392	\$ 1,500,000	\$ 95,574,353
Other Local Sources	1,398,694	2,452	2,203	779,723	2,183,072
Interdistrict Sources	1,435,450	-	-	-	1,435,450
State Sources	177,691,298	-	-	138,291	177,829,589
Federal Sources	20,909,231	-	-	6,725,330	27,634,561
Other Sources	775,498	151,063	-	-	926,561
Total Revenues	282,686,132	153,515	13,600,595	9,143,344	305,583,586
<b>EXPENDITURES</b>					
Instruction:					
Regular Instruction	113,941,899	-	-	521,868	114,463,767
Vocational Instruction	4,768,324	-	-	-	4,768,324
Special Education Instruction	37,573,293	-	-	-	37,573,293
Other Instruction	8,291,524	-	-	867,157	9,158,681
Total Instruction	164,575,040	-	-	1,389,025	165,964,065
Support Services:					
Pupil Services	17,853,609	-	-	427,410	18,281,019
Instructional Staff Services	15,240,001	-	-	47,006	15,287,007
General Administration Services	1,935,500	-	-	369,320	2,304,820
School Administration Services	15,636,074	-	-	1,062,304	16,698,378
Business Services	2,466,527	-	-	-	2,466,527
Operations and Maintenance of Plant	32,222,631	4,498,235	-	129,122	36,849,988
Pupil Transportation Services	7,253,304	-	-	56,106	7,309,410
Food Services	-	-	-	5,178,370	5,178,370
Central Services	2,907,788	-	-	17	2,907,805
Insurance	1,114,429	-	-	-	1,114,429
Other Support Services	8,769,273	-	-	-	8,769,273
Total Support Services	105,399,136	4,498,235	-	7,269,655	117,167,026
Debt Service:					
Principal	-	-	9,120,000	-	9,120,000
Interest and Fiscal Charges	6,994	-	5,018,440	-	5,025,434
Total Debt Service	6,994	-	14,138,440	-	14,145,434
Community Service	-	-	-	650,536	650,536
Nonprogram:					
General Tuition Payments	9,017,658	-	-	-	9,017,658
Post-Secondary Scholarship Expenditures	-	-	-	15,800	15,800
Special Education Tuition Payments	373,600	-	-	-	373,600
Adjustments and Refunds	100,931	-	-	-	100,931
Total Nonprogram	9,492,189	-	-	15,800	9,507,989
Total Expenditures	279,473,359	4,498,235	14,138,440	9,325,016	307,435,050
<b>EXCESS OF REVENUES OVER (UNDER)</b>					
<b>EXPENDITURES</b>	3,212,773	(4,344,720)	(537,845)	(181,672)	(1,851,464)
<b>OTHER FINANCING SOURCES (USES)</b>					
Leases Issued	1,238,662	-	-	-	1,238,662
Transfers In	95,686	-	-	-	95,686
Transfers Out	-	-	-	(95,686)	(95,686)
Total Other Financing Sources (Uses)	1,334,348	-	-	(95,686)	1,238,662
<b>NET CHANGE IN FUND BALANCES</b>	4,547,121	(4,344,720)	(537,845)	(277,358)	(612,802)
Fund Balances - Beginning of Year, As Restated	61,669,393	5,224,164	3,354,221	7,652,988	77,900,766
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 66,216,514</u>	<u>\$ 879,444</u>	<u>\$ 2,816,376</u>	<u>\$ 7,375,630</u>	<u>\$ 77,287,964</u>

See accompanying Notes to Financial Statements.



**KENOSHA UNIFIED SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2021**

**Reconciliation to the Statement of Activities**

Net change in fund balances as shown on previous page \$ (612,802)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Assets Reported as Capital Outlay Reported in Governmental Fund Statements	12,444,548
Depreciation Expense Reported in the Statement of Activities	(8,711,444)
Net Book Value of Disposals	(578,669)

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

Right-to-Use Leases Issued	(695,449)
Finance Purchase Leases Issued	(543,213)
Right-to-Use Leases Paid	403,740
Finance Purchase Leases Paid	229,007
Long-Term Debt - Principal Paid	9,120,000

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Accrued Interest on Long-Term Debt	99,712
Amortization of Debt Premium	841,143
Amortization of Loss on Advance Refunding	(65,756)
Compensated Absences	413,325
Net Pension Liability (Asset)	28,091,799
Deferred Outflows of Resources Related to Pensions	25,617,342
Deferred Inflows of Resources Related to Pensions	(37,162,423)
Other Postemployment Benefits	(4,523,383)
Deferred Outflows of Resources Related to Other Postemployment Benefits	4,764,696
Deferred Inflows of Resources Related to Other Postemployment Benefits	1,510,898

**Change in Net Position of Governmental Activities as Reported in the Statement of Activities (See pages 21)**

\$ 30,643,071

**KENOSHA UNIFIED SCHOOL DISTRICT  
STATEMENT OF NET POSITION — FIDUCIARY FUNDS  
JUNE 30, 2021**

	Retiree Health Insurance
<b>ASSETS</b>	
Cash and Investments	\$ 40,130,659
Accounts Receivable	<u>7,877,179</u>
Total Assets	<u>48,007,838</u>
<b>LIABILITIES</b>	
Accounts Payable	<u>3,025,023</u>
Total Liabilities	<u>3,025,023</u>
<b>NET POSITION</b>	
Restricted	<u><u>\$ 44,982,815</u></u>

*See accompanying Notes to Financial Statements.*

**KENOSHA UNIFIED SCHOOL DISTRICT  
STATEMENT OF CHANGES IN NET POSITION — FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2021**

	<u>Retiree Health Insurance</u>
<b>ADDITIONS</b>	
Contributions	
Employer	\$ 10,398,181
Plan Members	355,454
Investment Earnings	<u>170,331</u>
Total Additions	10,923,966
<b>DEDUCTIONS</b>	
Trust Fund Disbursements	4,566,795
Administrative Expenditures	<u>13,906</u>
Total Deductions	<u>4,580,701</u>
<b>CHANGE IN NET POSITION</b>	6,343,265
Net Position - Beginning of Year	<u>38,639,550</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 44,982,815</u></u>

See accompanying Notes to Financial Statements.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The Kenosha Unified School District is organized as a common school district governed by an elected seven-member school board. The District operates grades pre-kindergarten through grade 12, Head Start, and several adult education and recreation programs. The District is comprised of four municipal taxing districts (City of Kenosha, Village of Pleasant Prairie, Village of Somers and Town of Somers).

In accordance with U.S. GAAP, the basic financial statements are required to include the District (the primary government) and any separate component units that have a significant operational or financial relationship with the District. The District has not identified any component units that are required to be included in the basic financial statements in accordance with standards established by GASB Statement No. 61.

**B. District-Wide and Fund Financial Statements**

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services. The District has no business-type activities.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the district-wide financial statements. Governmental funds include general, special revenue, debt service and capital projects funds. The District has no proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

The District reports the following major governmental funds:

**General Fund**

This is the District's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The District follows the regulatory requirements of the Wisconsin Department of Public Instruction, which requires educational programs for students with disabilities to be reported in a Special Education Fund (Fund 27), separate from other instructional activities reported in the General Fund (Fund 10). Under U.S. GAAP, the activities of the Special Education Fund are reported with General Fund activities because excess expenditures within the Special Education Fund are financed by a transfer from Fund 10. General Fund sources include financial aid received from the state and federal government and payments from other school districts.

**Capital Projects Fund**

This fund accounts for the resources restricted for the acquisition or construction of specific capital projects or items.

**Debt Service Fund**

This fund accounts for the resources restricted for the repayment of principal and interest on outstanding debt.

The District reports the following nonmajor governmental funds:

- Special Revenue Funds: Head Start; Special Revenue Trust; Food Service; and Community Service.

Additionally, the District reports the following fund types:

- The Retiree Health Insurance fund is used to account for resources legally held in trust for other postemployment benefits.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus and Basis of Accounting**

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

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

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

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

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

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**1. Cash and Investments**

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

**2. Property Taxes**

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

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

**3. Accounts Receivable**

Accounts receivable are recorded net of allowance for uncollectible amounts. The allowance for uncollectible accounts was \$179,982 on June 30, 2021.

**4. Interfund Receivables and Payables**

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**5. Inventories**

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

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

**6. Prepaid Items**

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are accounted for on the consumption method.

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

**7. Capital Assets**

Capital assets, which include property, plant and equipment, are reported in the district-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

Assets	Governmental Activities Years
Buildings	50
Building Improvement	20 to 25
Land Improvements	10 to 20
Furniture & Equipment	4 to 15
Computer & Related Technology	4 to 10



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**8. Compensated Absences**

It is the District's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with employee handbook policies and/or bargaining unit agreements. All vacation and sick leave is accrued when incurred in the district-wide financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

**9. Deferred Outflows/Inflows of Resources**

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

**10. Long-term Obligations**

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

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

**11. Leases**

Lessee:

The District is a lessee for various equipment, vehicles and building space. The District recognizes a lease liability – finance purchase and a capital asset or recognizes a lease liability – right to use and an intangible right-to use lease asset in the district-wide financial statements based on the criteria dictated in GASB Statement No. 87 – Leases.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**11. Leases (Continued)**

At the commencement of a lease, the District determines based on the criteria dictated in GASB Statement No. 87 – Leases, if the lease is a financed purchased or a right to use lease liability. Then the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease liabilities are reported with the long-term obligations on the statement of net position.

A finance purchased asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The asset is depreciated on a straight line basis over the life of the lease which is considered the asset's useful life. The asset is reported with the District capital assets as land, land improvements, buildings and improvements or furniture and equipment.

An intangible right-to use lease asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The intangible right-to use lease asset is amortized on a straight line basis over the life of the lease. The intangible right-to use lease asset is reported with the District capital assets in its own category called Leased Assets (Right to Use).

Key estimates and judgements related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**11. Leases (Continued)**

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

The District monitors changes in circumstances that would require a re-measurement of its lease and will re-measure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease.

**12. Pensions**

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (revenue), information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by 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.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**13. Other Postemployment Benefits Other Than Pensions (OPEB)**

**Local Retiree Life Insurance Fund**

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense (revenue), and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. 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.

**Single-employer Defined Postemployment Benefit Plan**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's Other Postemployment Benefit Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

**14. Fund Equity**

**Governmental Fund Financial Statements**

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

- **Nonspendable Fund Balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- **Restricted Fund Balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- **Committed Fund Balance.** Amounts that are constrained for specific purposes by action of the Board of Education. These constraints can only be removed or changed by the Board of Education using the same action that was used to create them.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**14. Fund Equity (Continued)**

**Governmental Fund Financial Statements (Continued)**

- **Assigned Fund Balance.** Amounts that are constrained for specific purposes by action of District management. The Board of Education has authorized the Chief Financial Officer to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- **Unassigned Fund Balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

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

The District maintains a minimum fund balance policy for the General Fund. The policy states that the unassigned fund balance in the General Fund will be equal to a minimum of 15% and a maximum of 20% of the ensuing year's budgeted General Fund expenditures.

**District-Wide Statements**

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

- **Net Investment in Capital Assets:** Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- **Restricted Net Position:** Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position:** Net position that is neither classified as restricted nor as net investment in capital assets.

**E. Use of Estimates**

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. Restatement of Fund Balance and Net Position**

Net position and fund balance as of July 1, 2020 has been restated as a result of the implementation of the following Government Accounting Standards Board (GASB) Statements:

- GASB Statement No. 84 – *Fiduciary Activities*, which required the District to record the Private Benefit Trust and Pupil Activity historically presented in the fiduciary funds as a part of the District's Special Revenue Trust Fund.
- GASB Statement No. 87 – *Leases*, which required the District to evaluate their lease arrangements and record the activity on the district-wide financial statements for right-to-use and financed purchase lease agreements.

The following summarizes the effect of the restatement for the implementation of these new GASB Statements:

	<u>Governmental Activities</u>	<u>Special Revenue Trust</u>
Net Position/Fund Balance, As Previously Reported	\$ 139,431,666	\$ 169,816
GASB Statement No. 84, Fiduciary Activities	2,122,562	2,122,562
GASB Statement No. 87, Leases	<u>(53,788)</u>	<u>-</u>
Net Position/Fund Balance, As Restated	<u><u>\$ 141,500,440</u></u>	<u><u>\$ 2,292,378</u></u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

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

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

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

The carrying amount of the District's cash and investments totaled \$124,875,919 on June 30, 2021 as summarized below:

Petty Cash and Cash on Hand	\$ 13,812
Deposits with Financial Institutions	4,918,339
Investments:	
Repurchase Agreement	5,764,408
Wisconsin Investment Series Cooperative (WISC):	
Cash Management Series	13,801,359
Investment Series	100,376,786
Wisconsin Local Government Investment Pool	1,215
Total	<u>\$ 124,875,919</u>

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 84,745,260
Fiduciary Fund Statement of Net Position:	
Retiree Health Insurance	40,130,659
Total	<u>\$ 124,875,919</u>

**Fair Value Measurements**

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

**Fair Value Measurements (Continued)**

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

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

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

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

The District did have any assets or liabilities subject to fair value measurement as of June 30, 2021.

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

**Custodial Credit Risk**

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



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

**Custodial Credit Risk (Continued)**

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

As of June 30, 2021, \$5,152,172 of the District's deposits with financial institutions were in excess of federal and state depository insurance limits and were collateralized with securities held by the pledging financial institution or its trust department or agent in the District's name.

On June 30, 2021, the District held repurchase agreement investments of \$5,764,408 of which the underlying securities are held by the investment's counterparty, not in the name of the District.

**Credit Risk**

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

Investment Type	Amount	Exempt from Disclosure	AAA	AA	Not Rated
Wisconsin Local Government Investment Pool	\$ 1,215	\$ -	\$ -	\$ -	\$ 1,215
WISC Investments					
Cash Management Series	13,801,359	-	13,801,359	-	-
Investment Series	100,376,786	-	100,376,786	-	-
Totals	<u>\$ 114,179,360</u>	<u>\$ -</u>	<u>\$ 114,178,145</u>	<u>\$ -</u>	<u>\$ 1,215</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

**Concentration of Credit Risk**

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer. At June 30, 2021, the District had no investments in any one issuer (other than external investment pools) that represent 5% or more of total District investments.

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

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

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Wisconsin Local Government Investment Pool	\$ 1,215	\$ 1,215	\$ -	\$ -	\$ -
WISC Investments					
Cash Management Series	13,801,359	13,801,359	-	-	-
Investment Series	100,376,786	100,376,786	-	-	-
Repurchase Agreements	5,764,408	5,764,408	-	-	-
Totals	<u>\$ 119,943,768</u>	<u>\$ 119,943,768</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations**

The District's investments do not include investments that are highly sensitive to interest rate fluctuations.

**Investment in Wisconsin Investment Series Cooperation**

The District has investments in the Wisconsin Investment Series Cooperative (WISC) of \$114,178,145 at year-end consisting of \$13,801,359 invested in the Cash Management Series and \$100,376,786 invested in the Investment Series. The Cash Management Series has no minimum investment period, allows check writing privileges, and the average dollar weighted maturity is ninety (90) days or less. The Investment Series requires a 14 day minimum investment period and one business day withdrawal notice, and the average dollar weighted maturity is one hundred twenty (120) days or less.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

**Investment in Wisconsin Investment Series Cooperation (Continued)**

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

**Investment in Wisconsin Local Government Investment Pool**

The District has investments in the Wisconsin Local Government Investment Pool (LGIP) of \$1,215 at year-end. The 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, 2021, the fair value of the District's share of the LGIP's assets was substantially equal to the carrying value.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Capital Assets**

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets, Nondepreciable/Nonamortized:				
Land	\$ 10,059,002	\$ -	\$ 5,779	\$ 10,053,223
Construction in Progress	46,872,289	9,120,948	55,968,034	25,203
Total Capital Assets, Nondepreciable/Nonamortized	56,931,291	9,120,948	55,973,813	10,078,426
Capital Assets, Depreciable/Amortizable:				
Land Improvements	17,011,253	869,226	608,726	17,271,753
Buildings and Improvements	272,728,721	28,665,482	3,327,554	298,066,649
Furniture and Equipment	22,952,230	30,583,476	4,952,553	48,583,153
Leased Assets (Right of Use)	2,668,160	695,450	261,345	3,102,265
Subtotals	315,360,364	60,813,634	9,150,178	367,023,820
Less Accumulated Depreciation/Amortization for:				
Land Improvements	6,450,524	718,595	542,000	6,627,119
Buildings and Improvements	93,918,325	6,798,255	3,234,888	97,481,692
Furniture and Equipment	17,107,497	787,935	4,634,980	13,260,452
Leased Assets (Right of Use)	1,266,652	406,659	165,420	1,507,891
Subtotals	118,742,998	8,711,444	8,577,288	118,877,154
Total Capital Assets, Depreciable/Amortizable, Net	196,617,366	52,102,190	572,890	248,146,666
Governmental Activities Capital Assets, Net	<u>\$ 253,548,657</u>	<u>\$ 61,223,138</u>	<u>\$ 56,546,703</u>	258,225,092
Less: Capital Related Debt				(118,975,000)
Less: Financed Purchase and Right-to-Use Leases				(2,521,267)
Less: Debt Premium				(9,071,512)
Add: Loss on Advance Refunding				263,025
Add: Unspent Bond Proceeds				879,444
Net Investment in Capital Assets				<u>\$ 128,799,782</u>

Amortization and depreciation expense was charged to functions of the District as follows:

	<u>Amortization</u>	<u>Depreciation</u>	<u>Total</u>
Governmental Activities			
Instruction	\$ -	\$ 2,803,517	\$ 2,803,517
Support Services	406,659	5,497,611	5,904,270
Community Services	-	3,657	3,657
Total Depreciation/Amortization Expense - Governmental Activities	<u>\$ 406,659</u>	<u>\$ 8,304,785</u>	<u>\$ 8,711,444</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Interfund Receivables, Payables, and Transfers**

Interfund receivables and payables between individual funds of the District, as reported in the fund financial statements, as of June 30, 2021 are detailed below:

	Interfund Receivables	Interfund Payables
Temporary Cash Advances to Finance		
Operating Cash Deficits:		
General	\$ 260,605	\$ -
Special Revenue:		
Head Start	-	260,605
Totals	<u>\$ 260,605</u>	<u>\$ 260,605</u>

Interfund transfers for the year ended June 30, 2021 were as follows:

Funds	Transfer In	Transfer Out
General	\$ 95,686	\$ -
Special Revenue:		
Head Start	-	95,686
Total	<u>\$ 95,686</u>	<u>\$ 95,686</u>

Interfund transfers were made for the following purposes:

Indirect Cost Reimbursement	\$ 95,686
Total	<u>\$ 95,686</u>

**D. Short-Term Obligations**

The District issued tax and revenue anticipation promissory notes in advance of property tax collections. The notes are needed because District expenses for the year begin in July whereas tax collections are not received until January. Short-term debt activity for the year ended June 30, 2021 was as follows:

	Outstanding 7/1/21	Issued	Retired	Outstanding 6/30/21
Tax and Revenue Anticipation Notes	<u>\$ 8,000,000</u>	<u>\$ 9,075,000</u>	<u>\$ 8,000,000</u>	<u>\$ 9,075,000</u>

Total interest paid for the year on short-term debt totaled \$153,778.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations**

The following is a summary of changes in long-term obligations of the District for the year ended June 30, 2021:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
General Obligation Debt:					
Bonds	\$ 128,095,000	\$ -	\$ 9,120,000	\$ 118,975,000	\$ 7,860,000
Total General Obligation Debt	128,095,000	-	9,120,000	118,975,000	7,860,000
Debt Premium	9,912,655	-	841,143	9,071,512	841,143
Lease Liability - Right-to-Use	1,479,268	695,449	403,740	1,770,977	404,488
Lease Liability - Financed Purchase	436,084	543,213	229,007	750,290	241,803
Compensated Absences	2,942,155	-	186,316	2,755,839	252,009
Governmental Activities Long-Term Obligations	<u>\$ 142,865,162</u>	<u>\$ 1,238,662</u>	<u>\$ 10,780,206</u>	<u>\$ 133,323,618</u>	<u>\$ 9,599,443</u>

Total interest paid during the year on long-term debt totaled \$5,018,441.

**General Obligation Debt**

General obligation debt currently outstanding is detailed as follows:

		Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 6/30/21
General Obligation Bonds	Refinancing & EE Project	09/17/13	04/01/33	3.00%	\$ 23,100,000	\$ 11,935,000
General Obligation Bonds	Athletic Building	07/15/15	04/01/35	3.00% - 5.00%	30,005,000	20,075,000
General Obligation Bonds	Energy Efficiency Project	07/26/16	04/01/36	2.50% - 5.00%	28,945,000	16,620,000
General Obligation Bonds	Refunding & EE Project	06/15/17	04/01/37	3.00 - 5.00%	34,510,000	33,005,000
General Obligation Bonds	Refunding	10/08/19	04/01/29	3.00 - 5.00%	45,960,000	37,340,000
Total Outstanding General Obligation Debt						<u>\$ 118,975,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$118,975,000 on June 30, 2021 are detailed below:

<u>Year Ended June 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 7,860,000	\$ 4,619,591	\$ 12,479,591
2023	8,225,000	4,269,691	12,494,691
2024	8,625,000	3,903,291	12,528,291
2025	9,055,000	3,479,591	12,534,591
2026	9,470,000	3,036,291	12,506,291
2027 - 2031	42,185,000	9,612,514	51,797,514
2032 - 2036	30,090,000	3,244,265	33,334,265
2037	3,465,000	112,613	3,577,613
Total	<u>\$ 118,975,000</u>	<u>\$ 32,277,847</u>	<u>\$ 151,252,847</u>

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**General Obligation Debt (Continued)**

The District's legal margin for creation of additional general obligation debt on June 30, 2021 was \$952,323,435 as follows:

Equalized Valuation of the District		\$ 10,696,369,572
Statutory Limitation Percentage		(x) 10%
General Obligation Debt Limitation, per Section 67.03 of the Wisconsin Statutes		1,069,636,957
Total Outstanding General Obligation Debt Applicable to Debt Limitation	\$ 118,975,000	
Less: Amounts Available for Financing General Obligation Debt		
Debt Service Fund, Less Accrued Interest	1,661,478	
Net Outstanding General Obligation Debt Applicable to Debt Limitation		117,313,522
Legal Margin for New Debt		<u>\$ 952,323,435</u>

**F. Leases**

**Lease Liability: Right-to-Use Asset Agreements**

During the current year, the District entered into four new right-to-use lease arrangements for vehicles and space. An initial lease liability was recorded in the amount of \$695,225 during the current fiscal year. The District is required to make various monthly principal and interest payments. The District used the incremental borrowing rate as the interest rate for the right-to-use asset agreements if an interest rate was not provided in the lease agreement.

The District leases vehicles and space for various terms under long-term, noncancelable lease arrangements. The leases expire at various dates through 2033.

Total principal and interest costs for such leases for governmental funds were \$494,786 for the year ended June 30, 2021. The future minimum lease payments for these agreements are as follows:

<u>Year Ended June 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 404,488	\$ 86,093	\$ 490,581
2023	359,217	58,664	417,881
2024	158,955	37,355	196,310
2025	150,426	28,877	179,303
2026	119,180	19,075	138,255
2027 - 2031	445,316	52,714	498,030
2032 - 2033	133,395	6,830	140,225
Total	<u>\$ 1,770,977</u>	<u>\$ 289,608</u>	<u>\$ 2,060,585</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Leases (Continued)**

**Lease Liability: Right-to-Use Asset Agreements (Continued)**

These lease agreements qualify as right-to-use assets for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the date of their inception. The assets acquired through right-to-use asset lease agreements are as follows:

	<u>Governmental Activities</u>
Right-to-Use Assets:	
Leased Asset - Buildings	\$ 2,157,031
Leased Asset - Machinery and Equipment	<u>945,234</u>
Subtotal	3,102,265
Less: Accumulated Amortization	<u>(1,507,891)</u>
Total	<u><u>\$ 1,594,374</u></u>

**Lease Liability: Financed Purchases**

During the current fiscal year, the County entered four financed purchase lease agreements as lessee for financing the acquisition of machinery and equipment for use by the District. An initial lease liability was recorded in the amount of \$543,212 during the current fiscal year. The District is required to make various monthly principal and interest payments. These leases have an interest rate of 3.5% to 14.5%. The machinery and equipment will have estimated useful lives of 3 to 5. The value of these financed purchase assets as of the end of the year was \$543,362 and had accumulated amortization of \$71,332.

The District has financed purchase leases for machinery and equipment. No down payments were required for these lease agreements. The financed purchase leases expire at various dates through 2026. These leases have an interest rate of 3.5% to 14.5%.

These lease agreements qualify as a financed purchase for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the date of their inception. The assets acquired through financed purchase leases are as follows:

	<u>Governmental Activities</u>
Assets:	
Furniture and Equipment	\$ 1,181,299
Less: Accumulated Amortization	<u>(407,441)</u>
Total	<u><u>\$ 773,858</u></u>



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Leases (Continued)**

**Lease Liability: Financed Purchases (Continued)**

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021 were as follows:

<u>Year Ended June 30,</u>	Governmental Activities		
	Principal	Interest	Total
2022	\$ 241,803	\$ 25,532	\$ 267,335
2023	226,292	17,151	243,443
2024	135,928	9,301	145,229
2025	137,093	4,299	141,392
2026	9,174	85	9,259
Total	<u>\$ 750,290</u>	<u>\$ 56,368</u>	<u>\$ 806,658</u>

**G. Pension Plan**

**WRS Pension Plan Description**

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

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <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 December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**Benefits Provided (Continued)**

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.

**Postretirement Adjustments**

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

<u>Year Ended June 30,</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
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)
2020	1.7	21.0

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**Contributions**

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

During the reporting period July 1, 2020 through June 30, 2021, the WRS recognized \$10,290,537 in contributions from the District.

Contribution rates for the reporting period are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Including Teachers, Executives and Elected Officials)	6.75 %	6.75 %
Protective with Social Security	6.75	11.75
Protective without Social Security	6.75	16.35

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

At June 30, 2021, the District reported asset of \$58,582,550 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension asset was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2020, the District's proportion was 0.93835093%, which was a decrease of 0.00725808% from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the District recognized pension revenue of \$6,385,531.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

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

At June 30, 2021, 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	\$ 84,786,935	\$ 18,262,953
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	109,983,963
Changes in Assumptions	1,328,766	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	218,937	267,066
Employer Contributions Subsequent to the Measurement Date	6,263,616	-
Total	<u>\$ 92,598,254</u>	<u>\$ 128,513,982</u>

\$6,263,616 reported as deferred outflows related to pension resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Expense</u>
2022	\$ (10,819,345)
2023	(2,923,828)
2024	(19,954,998)
2025	(8,481,173)
Total	<u>\$ (42,179,344)</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**Actuarial Assumptions**

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

Actuarial Valuation Date:	December 31, 2019
Measurement Date of Net Pension Liability (Asset):	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	Wisconsin 2018 Mortality Table
Post-Retirement Adjustments*	1.9%

- \* No postretirement 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 postretirement 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, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**Actuarial Assumptions (Continued)**

**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:

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Core Fund Asset Class:			
Global Equities	51.0 %	7.2 %	4.7 %
Fixed Income	25.0	3.2	0.8
Inflation Sensitive Assets	16.0	2.0	(0.4)
Real Estate	8.0	5.6	3.1
Private Equity/Debt	11.0	10.2	7.6
Multi-Asset	4.0	5.8	3.3
Total Core Fund	<u>115.0 %</u>	<u>6.6 %</u>	<u>4.1 %</u>
Variable Fund Asset Class:			
U.S. Equities	70.0 %	6.6 %	4.1 %
International Equities	30.0	7.4	4.9
Total Variable Fund	<u>100.0 %</u>	<u>7.1 %</u>	<u>4.6 %</u>

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.4%

Asset Allocations are managed within established ranges, target percentages may

**Single Discount Rate**

A single discount rate of 7.00% was used to measure the total pension liability for the current year and 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 2.00% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2020. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**Actuarial Assumptions (Continued)**

**Single Discount Rate (Continued)**

For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan members contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 55,762,469	\$ (58,582,550)	\$(142,568,114)

**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>.

**Payable to the Pension Plan**

At June 30, 2021, the District reported a payable of \$4,606,378 for the outstanding amount of contributions to the pension plan.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits**

The District reports OPEB related balances at June 30, 2021 as summarized below:

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Single-Employer Defined OPEB Plan	\$ 24,838,684	\$ 3,757,778	\$ 8,263,744	\$ 4,821,163
Local Retiree Life Insurance Fund (LRLIF)	32,117,732	13,515,183	4,125,686	3,941,235
Total	<u>\$ 56,956,416</u>	<u>\$ 17,272,961</u>	<u>\$ 12,389,430</u>	<u>\$ 8,762,398</u>

**1. Single-Employer Defined Benefit Postemployment Benefit Plan**

**Plan Description**

The plan is a single-employer defined benefit postemployment health plan that covers retired employees of the District. Eligible retired employees have access to group medical coverage through the District's group plan. District paid medical benefits are paid for as indicated below. All employees of the District are eligible for the plan if they meet the following age and service requirements below.

**Benefits Provided**

The District provides medical (including prescription drugs) and dental coverage for retired employees through the District's self-insured plans.

**Employees Covered by Benefit Terms**

As of the June 30, 2021 actuarial valuation, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	263
Active Employees	<u>2,032</u>
Total	<u><u>2,295</u></u>



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**1. Single-Employer Defined Benefit Postemployment Benefit Plan (Continued)**

**Contributions**

**Employee Category**

***Certified Teachers***

**Eligibility:**

Dental Benefits - Any retiree who was working more than half-time and has attained age 62 and 15 years of service.

All other benefits - Any retiree who was working more than half-time and has attained age 55 and 15 years of service.

Retiree Health Benefits: District pays 100% of the health insurance premium for single or family coverage for employees retiring at age 62 or older but before age 65. District pays 100% of the health insurance premium for single coverage for employees retiring prior to age 62. District portion is 88% for retirements after September 1, 2014. The health benefits coverage will terminate when the retiree attains age 65.

Retiree Dental Benefits: District pays 90% of the dental insurance premiums for family coverage. The dental benefits coverage will terminate when the retiree attains age 65.

***Service Employees***

**Eligibility:**

Any retiree who was working full-time and has attained age 55 and 15 years of service.

Retiree Health Benefits: District pays 98.3% of the health insurance premium for single coverage. District portion is 88% for retirements after September 1, 2014. The health benefits coverage will terminate when the retiree attains age 65.

***Carpenters and Painters***

**Eligibility:**

Any retiree who was working full-time and has attained age 57 and 15 years of service.

Retiree Health Benefits: District pays 98% of the health insurance premium for single coverage. District portion is 88% for retirements after September 1, 2014. The health benefits coverage will terminate when the retiree attains age 65.

***Secretaries***

**Eligibility**

Any retiree who was working full-time and has attained age 57 and 15 years of service.

Retiree Health Benefits: District pays 98.3% of the health insurance premium for single coverage. District portion is 90% for retirements after September 1, 2014. The health benefits coverage will terminate when the retiree attains age 65.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**1. Single-Employer Defined Benefit Postemployment Benefit Plan (Continued)**

**Contributions (Continued)**

***Educational Assistants***

Eligibility: Any retiree who was working full-time and has attained age 57 and 15 years of service.

Retiree Health Benefits: District pays 100% of the health insurance premium for single coverage. The health benefits coverage will terminate when the retiree attains age 65.

***Administrators, Supervisors, and Technical Employees***

Eligibility: Any retiree who was working full-time and has attained 55 and 15 years of service.

Retiree Health Benefits: District pays 100% of the health insurance premium. District portion is 88% for retirements after September 1, 2014. The health benefits coverage will terminate at age 65 for employees retiring with less than 20 years of service, at age 66 for employees retiring with 20 or more years of service but less than 25 years of service, and at age 67 for employees retiring with more than 25 years of service.

Retiree Dental Benefits: District pays 90% of the dental insurance premium for family coverage. The dental benefits coverage will terminate at age 65 for employees retiring with less than 20 years of service, at age 66 for employees retiring with 20 or more years of service but less than 25 years of service, and at age 67 for employees retiring with more than 25 years of service. No coverage for retirees after July 1, 2011.

***Retiree Life***

Insurance Benefits: District pays a life insurance amount of 200% of the employee's compensation in the year before retirement if less than 66 years old, 150% of their salary if 66 years old, and 100% of their salary if 67 years old or older. No coverage for retirees after July 1, 2011.

***Miscellaneous and Interpreters***

Eligibility: Any Retiree who was working full-time and has attained age 55.

Retiree Health Benefits: Retiree pays 100% of the health insurance premium. The health benefits coverage will terminate when the retiree attains age 65.

**Net OPEB Liability**

The District's net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**1. Single-Employer Defined Benefit Postemployment Benefit Plan (Continued)**

**Net OPEB Liability (Continued)**

**Actuarial Assumptions**

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	2.20%
Salary Increases Including Inflation:	WRS
Investment Rate of Return:	2.26%
Healthcare Cost Trend Rates:	4.9% for 2019-20 increasing to 5.30% for 2020-2021, and decreasing to 3.70% thereafter

Mortality rates are the same as those used in the Wisconsin 2018 Mortality Table.

The actuarial assumptions used in the June 30, 2018 valuation were based on the "Wisconsin Retirement System 2015 - 2017 Experience Study".

The long-term expected rate of return on OPEB plan investments was valued at 2.26%. A blend of expected earnings on District funds and the current yield for 20 year tax-exempt AA Municipal bond rate or higher as of the measurement date was used for all years of benefit payments.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 2.17%. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was not projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the discount rate for calculating the total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments and then municipal bond rate applied to benefit payments, to the extent that the plans' fiduciary net position is not projected to be sufficient.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**1. Single-Employer Defined Benefit Postemployment Benefit Plan (Continued)**

**Changes in the Net OPEB Liability**

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balance at July 1, 2020	\$ 66,922,018	\$ 38,639,550	\$ 28,282,468
Changes for the Year:			
Service Cost	4,997,622	-	4,997,622
Interest	1,560,135	-	1,560,135
Effect on Plan Changes	-	-	-
Effect of Economic/Demographic Gains or Losses	605,150	-	605,150
Effect of Assumptions Changes or Inputs	303,369	-	303,369
Contributions - Employer	-	10,398,181	(10,398,181)
Administrative Expenses	-	(13,906)	13,906
Member Contributions	-	355,454	(355,454)
Net Investment Income	-	170,331	(170,331)
Benefit Payments	(4,566,795)	(4,566,795)	-
Net Changes	2,899,481	6,343,265	(3,443,784)
Balance at June 30, 2021	\$ 69,821,499	\$ 44,982,815	\$ 24,838,684

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.17%) or 1-percentage-point higher (3.17%) than the current rate:

	1% Decrease to Discount Rate (1.17%)	Current Discount Rate (2.17%)	1% Increase to Discount Rate (3.17%)
Net OPEB Liability	\$ 29,254,791	\$ 24,838,684	\$ 20,585,619

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

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.9% decreasing to 2.7%) or 1-percentage-point higher (5.9% decreasing to 4.7%) than the current healthcare cost trend rates:

	1% Decrease (3.9% Decreasing to 2.7%)	Healthcare Cost Trend Rates (4.9% Decreasing to 3.7%)	1% Increase (5.9% Decreasing to 4.7%)
Net OPEB Liability	\$ 17,190,616	\$ 24,838,684	\$ 33,858,337

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**1. Single-Employer Defined Benefit Postemployment Benefit Plan (Continued)**

**Changes in the Net OPEB Liability**

**OPEB Plan Fiduciary Net Position**

Information about the OPEB plan's fiduciary net position is presented in the Employee Benefit Trust Fund in these financial statements.

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

For the year ended June 30, 2021, the District recognized OPEB expense of \$4,821,163. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,885,521	\$ 1,555,386
Changes in Assumptions	861,162	6,708,358
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	1,011,095	-
Total	<u>\$ 3,757,778</u>	<u>\$ 8,263,744</u>

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

<u>Year Ended June 30,</u>	<u>Expense</u>
2022	\$ (613,458)
2023	(681,709)
2024	(723,478)
2025	(823,644)
2026	(857,608)
Thereafter	(806,069)
Total	<u>\$ (4,505,966)</u>

**Payable to the OPEB Plan**

At June 30, 2021, the District reported a payable of \$7,877,179 for the outstanding amount of contribution to the plan.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**2. Local Retiree Life Insurance Fund (LRLIF)**

**Plan Description**

The LRLIF is a cost-sharing, multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides postemployment life insurance benefits for all eligible members.

**OPEB Plan Fiduciary Net Position**

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

**Benefits Provided**

The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

**Contributions**

The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a postretirement benefit.

Employers are required to pay the following contributions based on member contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the member premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of June 30, 2021 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Post-Retirement Coverage	40% of Member Contribution
25% Post-Retirement Coverage	20% of Member Contribution

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**2. Local Retiree Life Insurance Fund (Continued)**

**Contributions (Continued)**

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended June 30, 2021 are listed below:

Life Insurance Employee Contribution Rates* For the Year Ended December 31, 2020		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30 - 34	0.06	0.06
35 - 39	0.07	0.07
40 - 44	0.08	0.08
45 - 49	0.12	0.12
50 - 54	0.22	0.22
55 - 59	0.39	0.39
60 - 64	0.49	0.49
65 - 69	0.57	0.57

\* Disabled members under age 70 receive a waiver-of-premium benefit

During the year ended June 30, 2021, LRLIF recognized \$116,430 in contributions from the employer.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2021, the District reported a liability of \$32,117,732 for its proportionate share of the net LRLIF OPEB liability. The net LRLIF OPEB liability was measured as of December 31, 2020, and the total LRLIF OPEB liability used to calculate the net LRLIF OPEB liability was determined by an actuarial valuation as of January 1, 2020 rolled forward to December 31, 2020. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net LRLIF OPEB liability was based on the District's share of contributions to the LRLIF OPEB plan relative to the contributions of all participating employers. At December 31, 2020, the District's proportion was 5.83882100%, which was an increase of 0.16727100% from its proportion measured as of December 31, 2019.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**2. Local Retiree Life Insurance Fund (Continued)**

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

For the year ended June 30, 2021, the District recognized OPEB expense of \$3,941,235 from the LRLIF plan.

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to LRLIF OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 1,532,543
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	467,609	-
Changes in Assumptions	12,494,249	2,203,711
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	553,325	389,432
Total	<u>\$ 13,515,183</u>	<u>\$ 4,125,686</u>

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

<u>Year Ended June 30,</u>	<u>Expense</u>
2022	\$ 1,738,005
2023	1,687,437
2024	1,635,349
2025	1,473,795
2026	1,920,523
Thereafter	934,388
Total	<u>\$ 9,389,497</u>



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**2. Local Retiree Life Insurance Fund (Continued)**

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

Actuarial Assumptions

The total LRLIF OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date:	January 1, 2020
Measurement Date of Net OPEB Liability (Asset):	December 31, 2020
Actuarial Cost Method:	Entry age normal
20 Year Tax-Exempt Municipal Bond Yield:	2.12%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.25%
Salary Increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

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 LRLIF OPEB liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the January 1, 2020 actuarial valuation.

Long-Term Expected Return on Plan Assets

The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A- Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**2. Local Retiree Life Insurance Fund (Continued)**

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

Local OPEB Life Insurance Asset Allocation Targets and Expected Returns As of December 31, 2020			
Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
U.S. Credit Bonds	Barclays Credit	50.0 %	1.47 %
U.S. Mortgages	Barclays MBS	50.0	0.82
Inflation			2.20
Long-Term Expected Rate of Return			4.25

The long-term expected rate of return and expected inflation rate remained unchanged from the prior year at 4.25% and 2.20%, respectively. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

**Single Discount Rate**

A single discount rate of 2.25% was used to measure the total LRLIF OPEB liability for the current year, as opposed to a discount rate of 2.87% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.74% as of December 31, 2019 to 2.12% as of December 31, 2020. The plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total LRLIF OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**2. Local Retiree Life Insurance Fund (Continued)**

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

**Sensitivity of the District's Proportionate Share of Net LRLIF OPEB Liability to Changes in the Discount Rate**

The following presents the District's proportionate share of the net LRLIF OPEB liability calculated using the discount rate of 2.25%, as well as what the District's proportionate share of the net LRLIF OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25%) or 1-percentage-point higher (3.25%) than the current rate:

	1% Decrease to Discount Rate (1.25%)	Current Discount Rate (2.25%)	1% Increase to Discount Rate (3.25%)
District's Proportionate Share of the Net LRLIF OPEB Liability	\$ 43,689,296	\$ 32,117,732	\$ 23,366,489

**LRLIF OPEB Plan Fiduciary Net Position**

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

**Payable to the LRLIF OPEB Plan**

At June 30, 2021, the District reported a payable of \$-0- for the outstanding amount of contribution to the plan.

**I. Fund Equity**

**Nonspendable Fund Balance**

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At June 30, 2021, nonspendable fund balance was as follows:

	General	Nonmajor	Total
Nonspendable:			
Inventories and Prepaid Items	\$ 875,422	\$ 560,471	\$ 1,435,893

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**I. Fund Equity (Continued)**

**Restricted Fund Balance**

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At June 30, 2021, restricted fund balance was as follows:

General Fund:

Restricted for:

CTE Grant	\$ 205,538
Common School Library Fund	<u>55,332</u>
Total General Fund Restricted Fund Balance	260,870

Capital Projects Fund:

Restricted for:

Capital Expansion	879,444
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Special Revenue Funds:

Restricted for:

Community Services	3,882,209
Scholarships	229,921
Food Services Program	<u>754,145</u>
Total Special Revenue Fund Restricted Fund Balance	4,866,275

Debt Service Fund:

Restricted for:

Retirement of Long-Term Debt	<u>2,816,376</u>
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Total Restricted Fund Balance	<u><u>\$ 8,822,965</u></u>
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**Committed Fund Balance**

In the fund financial statements, portions of government fund balances are committed by District Board action. At June 30, 2021, fund balance was committed as follows:

General Fund:

Committed for:

Contracts	\$ 3,122,705
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Special Revenue Funds:

Committed for:

Donations	192,477
Student Activities	<u>1,756,408</u>
Total Special Revenue Fund Committed Fund Balance	<u>1,948,885</u>

Total Committed Fund Balance	<u><u>\$ 5,071,590</u></u>
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**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**I. Fund Equity (Continued)**

**Assigned Fund Balance**

Portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At June 30, 2021, fund balance was assigned as follows:

General Fund:

Assigned for:

Charter Schools	\$ 2,798,078
Budget Carryovers	<u>547,339</u>
Total General Fund Assigned Fund Balance	<u>3,345,417</u>
 Total Assigned Fund Balance	 <u><u>\$ 3,345,417</u></u>

**Minimum General Fund Balance Policy**

The District has also adopted a minimum fund balance policy that unassigned fund balance in the general fund will be equal to a minimum of 15% and a maximum of 20% of the ensuing year's budgeted general fund expenditures be maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

Budgeted 2021 General Fund Expenditures	\$ 287,776,121
Minimum Fund Balance %	(x) 15% - 20%
Minimum Fund Balance Amount	<u><u>\$43,166,418 to \$57,555,224</u></u>

The District's unassigned General Fund balance of \$58,612,100 is above the minimum and maximum fund balance amount.

**Restricted Fiduciary Fund Net Position**

In the fund financial statements, portions of fiduciary fund net position are not available for appropriation or are legally restricted for use for a specific purpose. At June 30, 2021, restricted fiduciary fund net position was as follows:

Fiduciary Funds:

Restricted for:

Postemployment Benefits	\$ 44,982,815
Total Restricted Fiduciary Net Position	<u><u>\$ 44,982,815</u></u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**I. Fund Equity (Continued)**

**Net Position**

The District reports restricted net position at June 30, 2021 as follows:

Governmental Activities:

Restricted for:

Debt Service	\$ 1,661,478
Food Service	1,314,617
Community Service	3,882,208
Scholarships	229,921
Grants	260,870
Net Pension Asset	<u>58,582,550</u>
Total Governmental Activities	
Restricted Net Position	<u>65,931,644</u>
 Total Restricted Net Position	 <u><u>\$ 65,931,644</u></u>

**NOTE 3 OTHER INFORMATION**

**A. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. Settled claims have not exceeded commercial coverage in any of the past three years and there have been no significant reductions in insurance coverage from coverage in the prior year.

**Self-Funded Insurance Program**

The District has a self-insured workers' compensation benefit plan for its employees. The plan administrator, Aegis Corporation (administrator), is responsible for the approval, processing, and payment of claims, after which they bill the District for reimbursement. The District is also responsible for a monthly administrative fee. The plan reports on a fiscal year ended June 30, 2021.

Accounting and budgeting requirements for the plan are established by the Wisconsin Department of Public Instruction. Currently, the plan is accounted for in the General Fund of the District.

As part of the workers' compensation coverage of the plan, the District purchases stop-loss coverage, which pays claims in excess of \$1 million per individual.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 3 OTHER INFORMATION (CONTINUED)**

**A. Risk Management (Continued)**

**Self-Funded Insurance Program (Continued)**

At June 30, 2021, the District has reported a liability of \$1,357,457 which represents reported and unreported claims which were incurred on or before June 30, 2021, but were not paid by the District as of that date. The amounts not reported to the District were determined by the plan administrator. Changes in the claims liability for the years ended June 30, 2020 and June 30, 2021 are as follows:

	Liability July 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability June 30
2020	\$ 1,604,283	\$ 1,472,556	\$ 1,777,439	\$ 1,299,400
2021	1,299,400	1,348,682	1,290,625	1,357,457

**B. Contingencies**

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

From time to time, the District is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management 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.

**C. Limitation on School District Revenues**

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

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

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 3    OTHER INFORMATION (CONTINUED)**

**D. Commitments**

The District has active construction projects as of June 30, 2021. Work that has been completed but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures. Estimated future costs to complete the construction projects is approximately \$4,002,149.



**KENOSHA UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE —**  
**BUDGET TO ACTUAL — GENERAL FUND — BUDGETARY BASIS**  
**YEAR ENDED JUNE 30, 2021**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Property Taxes	\$ 80,475,961	\$ 80,475,961	\$ 80,475,961	\$ -
Other Local Sources	1,639,229	1,725,409	1,393,989	(331,420)
Interdistrict Sources	1,200,000	1,200,000	1,435,450	235,450
State Sources	165,910,743	166,055,689	165,968,920	(86,769)
Federal Sources	20,972,201	21,323,128	13,801,257	(7,521,871)
Other Sources	463,000	463,000	775,498	312,498
Total Revenues	270,661,134	271,243,187	263,851,075	(7,392,112)
<b>EXPENDITURES</b>				
Instruction:				
Regular Instruction	118,215,256	120,132,756	113,941,899	6,190,857
Vocational Instruction	4,904,628	5,307,876	4,768,324	539,552
Other Instruction	8,631,029	9,080,232	8,291,524	788,708
Total Instruction	131,750,913	134,520,864	127,001,747	7,519,117
Support Services:				
Pupil Services	11,349,672	12,136,926	11,621,187	515,739
Instructional Staff Services	16,570,222	16,591,993	13,945,149	2,646,844
General Administration Services	1,677,742	1,781,201	1,927,304	(146,103)
School Administration Services	15,603,292	15,731,350	15,636,074	95,276
Business Services	2,665,296	2,665,298	2,466,527	198,771
Operations and Maintenance of Plant	28,337,114	30,213,858	32,077,569	(1,863,711)
Pupil Transportation Services	5,010,304	5,110,084	4,288,222	821,862
Central Services	3,218,126	3,586,764	2,907,788	678,976
Insurance	705,150	705,150	1,114,429	(409,279)
Other Support Services	12,737,716	7,133,662	8,717,028	(1,583,366)
Total Support Services	97,874,634	95,656,286	94,701,277	955,009
Debt Service:				
Interest and Fiscal Charges	322,000	322,000	6,994	315,006
Nonprogram:				
General Tuition Payments	7,675,851	7,706,301	9,017,658	(1,311,357)
Adjustments and Refunds	-	-	100,931	(100,931)
Total Nonprogram	7,675,851	7,706,301	9,118,589	(1,412,288)
Total Expenditures	237,623,398	238,205,451	230,828,607	7,376,844
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	33,037,736	33,037,736	33,022,468	(15,268)
<b>OTHER FINANCING SOURCES (USES)</b>				
Leases Issued	-	-	1,238,662	1,238,662
Transfers In	369,082	369,082	363,913	(5,169)
Transfers Out	(33,406,818)	(33,406,818)	(30,077,922)	3,328,896
Total Other Financing Sources (Uses)	(33,037,736)	(33,037,736)	(28,475,347)	4,562,389
<b>NET CHANGE IN FUND BALANCE</b>	-	-	4,547,121	4,547,121
Fund Balance - Beginning of Year	61,669,393	61,669,393	61,669,393	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 61,669,393</u>	<u>\$ 61,669,393</u>	<u>\$ 66,216,514</u>	<u>\$ 4,547,121</u>

See Notes to Required Supplementary Information.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE —**  
**BUDGET TO ACTUAL — SPECIAL EDUCATION SPECIAL REVENUE FUND —**  
**BUDGETARY BASIS**  
**YEAR ENDED JUNE 30, 2021**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Other Local Sources	\$ 6,800	\$ 6,800	\$ 4,705	\$ (2,095)
State Sources	10,213,264	10,213,264	11,722,378	1,509,114
Federal Sources	7,128,577	7,783,027	7,107,974	(675,053)
Total Revenues	17,348,641	18,003,091	18,835,057	831,966
<b>EXPENDITURES</b>				
Instruction:				
Special Education Instruction	39,753,769	39,559,236	37,573,293	1,985,943
Other Instruction	66	66	-	66
Total Instruction	39,753,835	39,559,302	37,573,293	1,986,009
Support Services:				
Pupil Services	6,518,872	6,610,169	6,232,422	377,747
Instructional Staff Services	1,016,584	1,307,036	1,294,852	12,184
General Administration Services	-	-	8,196	(8,196)
Operations and Maintenance of Plant	145,257	145,365	145,062	303
Pupil Transportation Services	2,807,513	3,172,561	2,965,082	207,479
Other Support Services	52,615	52,247	52,245	2
Total Support Services	10,540,841	11,287,378	10,697,859	589,519
Nonprogram:				
Special Education Tuition Payments	190,000	270,075	373,600	(103,525)
Total Nonprogram	190,000	270,075	373,600	(103,525)
Total Expenditures	50,484,676	51,116,755	48,644,752	2,472,003
<b>EXCESS OF REVENUES UNDER EXPENDITURES</b>	(33,136,035)	(33,113,664)	(29,809,695)	3,303,969
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	33,406,818	33,406,818	30,077,922	(3,328,896)
Transfers Out	(270,783)	(293,153)	(268,227)	24,926
Total Other Financing Sources (Uses)	33,136,035	33,113,664	29,809,695	(3,303,969)
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Notes to Required Supplementary Information.

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS —  
SINGLE-EMPLOYER DEFINED BENEFIT OTHER POSTEMPLOYMENT PLAN  
LAST 10 FISCAL YEARS\***

	2021	2020	2019	2018	2017
Total OPEB Liability:					
Service Cost	\$ 4,997,622	\$ 4,529,182	\$ 6,106,457	\$ 6,136,970	\$ 6,651,090
Interest	1,560,135	2,337,899	4,072,739	3,595,120	2,902,942
Effect of Plan Changes	-	-	(30,983,814)	-	-
Effect of Economic/Demographic Gains or Losses	605,150	(1,547,420)	(485,969)	619,689	2,052,664
Effect of Assumptions Changes or Inputs	303,369	745,486	(5,083,461)	(1,839,964)	(4,525,856)
Benefit Payments	(4,566,795)	(4,718,297)	(7,729,757)	(6,739,916)	(8,699,457)
Net Change in Total OPEB Liability	2,899,481	1,346,850	(34,103,805)	1,771,899	(1,618,617)
Total OPEB Liability - Beginning	66,922,018	65,575,168	99,678,973	97,907,074	99,525,691
Total OPEB Liability - Ending (a)	<u>\$ 69,821,499</u>	<u>\$ 66,922,018</u>	<u>\$ 65,575,168</u>	<u>\$ 99,678,973</u>	<u>\$ 97,907,074</u>
Plan Fiduciary Net Position:					
Contributions - Employer	\$ 10,398,181	\$ 10,482,243	\$ 12,103,990	\$ 10,928,534	\$ 12,316,038
Net Investment Income	170,330	413,227	548,843	286,003	104,661
Benefit Payments	(4,566,795)	(4,718,297)	(7,729,757)	(6,739,916)	(8,699,457)
Administrative Expenses	(13,905)	(13,500)	-	-	372,857
Member Contributions	355,454	351,426	462,613	437,193	386,295
Net Change in Plan Fiduciary Net Position	6,343,265	6,515,099	5,385,689	4,911,814	4,480,394
Plan Fiduciary Net Position - Beginning	38,639,550	32,124,451	26,738,762	21,826,948	17,346,554
Plan Fiduciary Net Position - Ending (b)	<u>\$ 44,982,815</u>	<u>\$ 38,639,550</u>	<u>\$ 32,124,451</u>	<u>\$ 26,738,762</u>	<u>\$ 21,826,948</u>
District's Net OPEB Liability - Ending (a) - (b)	<u>\$ 24,838,684</u>	<u>\$ 28,282,468</u>	<u>\$ 33,450,717</u>	<u>\$ 72,940,211</u>	<u>\$ 76,080,126</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	64%	58%	49%	27%	22%
Covered-Employee Payroll	\$ 145,516,244	\$ 142,552,539	\$ 138,155,128	\$ 131,554,820	\$ 133,952,782
District's Net OPEB Liability as a Percentage of Covered-Employee Payroll	17%	20%	24%	55%	57%
Annual Money-Weighted Rate of Return, Net of Investment Expenses	0.44%	1.17%	1.87%	1.18%	0.53%

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

See Notes to Required Supplementary Information.

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS —  
SINGLE-EMPLOYER DEFINED BENEFIT OTHER POSTEMPLOYMENT PLAN  
LAST 10 FISCAL YEARS\***

	2021	2020	2019	2018	2017
Actuarially Determined Contribution (ADC)	6,414,431	\$ 6,492,823	\$ 10,483,198	\$ 10,528,984	\$ 10,952,469
Contributions in Relation to the ADC	10,398,181	10,482,243	12,103,990	10,928,534	12,316,038
Contribution Deficiency (Excess)	<u>\$ (3,983,750)</u>	<u>\$ (3,989,420)</u>	<u>\$ (1,620,792)</u>	<u>\$ (399,550)</u>	<u>\$ (1,363,569)</u>
Covered-Employee Payroll	\$ 145,516,244	\$ 142,552,539	\$ 138,155,128	\$ 131,554,820	\$ 133,952,782
Contributions as a Percentage of Covered-Employee Payroll	7.15%	7.35%	8.76%	8.31%	9.19%

**Key Methods and Assumption Used to Calculate ADC**

Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Asset Valuation Method	Market Value	Market Value	Market Value	Market Value	Market Value
Amortization Method	30 year Level Dollar	30 year Level Dollar	30 year Level Dollar	30 year Level Dollar	30 year Level Dollar
Discount Rate	2.24%	3.45%	3.85%	3.85%	3.57%
Inflation	2.20%	2.30%	2.3%	2.3%	3.0%

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

See Notes to Required Supplementary Information.

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) —  
WISCONSIN RETIREMENT SYSTEM  
LAST 10 FISCAL YEARS\***

Plan Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	1.00717634 %	\$ (24,739,006)	\$ 141,510,815	17.48 %	102.74 %
12/31/15	1.00194701	16,281,444	143,092,222	11.38	98.20
12/31/16	1.00757730	8,304,843	144,464,731	5.75	99.12
12/31/17	0.98029680	(29,106,175)	138,468,955	21.02	102.93
12/31/18	0.95666211	34,035,039	144,131,114	23.61	96.45
12/31/19	0.94560901	(30,490,751)	154,669,147	(19.71)	102.96
12/31/20	0.93835093	(58,582,550)	152,200,267	(38.49)	105.26

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

District Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/15	\$ 9,783,986	\$ 9,783,986	\$ -	\$ 142,255,255	6.88 %
6/30/16	9,544,430	9,544,430	-	142,911,017	6.68
6/30/17	9,775,956	9,775,956	-	145,641,274	6.71
6/30/18	9,474,391	9,474,391	-	140,651,906	6.74
6/30/19	9,715,921	9,715,921	-	147,162,795	6.60
6/30/20	10,166,917	10,166,917	-	152,357,105	6.67
6/30/21	10,195,814	10,195,814	-	151,049,090	6.75

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET) —  
LOCAL RETIREE LIFE INSURANCE FUND  
LAST 10 FISCAL YEARS\***

Plan Fiscal Year Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered Employee Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/17	5.89314100 %	\$ 17,729,987	\$ 138,468,955	12.80 %	44.81 %
12/31/18	5.64697400	14,571,098	127,134,000	11.46	48.69
12/31/19	5.67155000	24,150,565	126,461,000	19.10	37.58
12/31/20	5.83882100	32,117,732	133,484,000	24.06	31.36

**SCHEDULE OF CONTRIBUTIONS —  
LOCAL RETIREE LIFE INSURANCE FUND  
LAST 10 FISCAL YEARS\***

District Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
6/30/18	\$ 111,482	\$ 111,482	\$ -	\$ 140,651,906	0.0008 %
6/30/19	110,439	110,439	-	147,162,795	0.0008
6/30/20	113,374	113,374	-	152,357,105	0.0007
6/30/21	120,797	120,797	-	151,049,090	0.0008

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2021**

**NOTE 1 OTHER POSTEMPLOYMENT BENEFITS**

**Single-Employer Defined Benefit Postemployment Benefit Plan**

Changes of Benefit Terms

There were no changes in benefit terms included in the actuarial valuation for the year ended June 30, 2021.

Changes of Assumptions

6/30/2021	Actuarial assumptions used to develop the Total OPEB Liability changed, including the discount rate, demographic assumptions, participant rate and spouse elections, medical trends, and expected medical costs.
6/30/2020	Actuarial assumptions are based on an actuarial experience study for the period 2015-2017 for the Wisconsin Retirement System. Based on the experience study, actuarial assumptions used to develop the Total OPEB Liability changed, including the discount rate, wage inflation rate, and mortality and separation rates. The discount rate selected is in accordance with GASB 74/75. The expected claims and medical trend rates were changed to reflect anticipated experience under the most recent Getzen model application. The percentage of retirees electing family coverage for dental benefits was updated per a review of recent data. The overall impact of the new assumptions is an increase in the benefit obligation of \$745,486
6/30/2019	Actuarial assumptions are based on an actuarial experience study for the period 2015-2017 for the Wisconsin Retirement System. Based on the experience study, actuarial assumptions used to develop the Total OPEB Liability changed, including the discount rate, wage inflation rate, and mortality and separation rates.
6/30/2018	No significant change in assumptions were noted from the prior 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.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2021**

**NOTE 1 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Local Retiree Life Insurance Fund**

**Changes of Benefit Terms**

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

**Changes of Assumptions**

- |            |  |
|------------|--|
| 12/31/2020 | The Single Discount Rate assumption used to develop Total OPEB Liability changed from the prior year. Please refer to the Actuarial Assumptions section above for additional detail.   |
| 12/31/2019 | Several actuarial assumptions changed from the prior year, including the single discount rate, long-term expected rate of return and expected inflation.   |
| 12/31/2018 | Actuarial assumptions are based upon on 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, postretirement adjustment, wage inflation rate, mortality and separation rates. |
| 12/31/2017 | No significant change in assumptions were noted from the prior 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.

**NOTE 2 WISCONSIN RETIREMENT SYSTEM**

**Changes of Benefit Terms**

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

**Changes of Assumptions**

- |            |  |
|------------|--|
| 12/31/2020 | No significant change in assumptions were noted from the prior year.   |
| 12/31/2019 | No significant change in assumptions were noted from the prior year.   |
| 12/31/2018 | No significant change in assumptions were noted from the prior year.   |
| 12/31/2017 | Actuarial assumptions are based upon on 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, postretirement adjustment, wage inflation rate, mortality and separation rates. |
| 12/31/2016 | No significant change in assumptions were noted from the prior year.   |
| 12/31/2015 | No significant change in assumptions were noted from the prior year.   |
| 12/31/2014 | No significant change in assumptions were noted from the prior 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.



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2021**

**NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING**

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

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

- Based upon requests from District staff, District administration recommends budget proposals to the Board of Education.
- The Board of Education prepares a proposed budget including proposed expenditures and the means of financing them for the July 1 through June 30 fiscal year.
- A public notice is published containing a summary of the budget and identifying the time and place where a public hearing will be held on the proposed budget.
- Pursuant to the public budget hearing, the Board of Education may make alterations to the proposed budget.
- Once the Board of Education (following the public hearing) adopts the budget, no changes may be made in the amount of tax to be levied or in the amount of the various appropriations and the purposes of such appropriations unless authorized by a 2/3 vote of the entire Board of Education.
- Appropriations lapse at year-end unless authorized as a carryover by the Board of Education. The portion of fund balance representing carryover appropriations is reported as a committed or assigned fund balance in the fund financial statements.
- Encumbrance accounting is used by the District as an extension of formal budgetary control during the year.
- The DPI requires the District to separate special education revenues and expenditures from other General Fund amounts.
- The District did not have any material violation of legal or contractual provisions for the fiscal year ended June 30, 2021.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2021**

**NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)**

**Budgetary Information**

Budgetary information is derived from the annual operating budget and is presented in accordance with U.S. GAAP, except the District adopts a budget for the special education special revenue fund. An explanation of the differences between Revenues, Expenditures, and Other Financing Sources (Uses) for budgetary funds on budgetary fund basis and a U.S. GAAP General Fund basis is summarized below:

	<u>General</u>	<u>Special Education</u>
Revenues:		
Actual Amounts (Budgetary Basis)	\$ 263,851,075	\$ 18,835,057
Reclassification of Special Education	<u>18,835,057</u>	<u>(18,835,057)</u>
Total Revenues	282,686,132	-
Expenditures:		
Actual Amounts (Budgetary Basis)	230,828,607	48,644,752
Reclassification of Special Education	<u>48,644,752</u>	<u>(48,644,752)</u>
Total Expenditures	279,473,359	-
Excess Revenues Over (Under) Expenditures:		
Actual Amounts (Budgetary Basis)	33,022,468	(29,809,695)
Reclassification of Special Education	<u>(29,809,695)</u>	<u>29,809,695</u>
Excess of Revenues Over (Under) Expenditures	3,212,773	-
Other Financing Sources (Uses):		
Actual Amounts (Budgetary Basis)	(28,475,347)	29,809,695
Reclassification of Special Education	<u>29,809,695</u>	<u>(29,809,695)</u>
Total Other Financing Sources (Uses)	<u>1,334,348</u>	<u>-</u>
Net Change in Fund Balance		
Actual Amounts (Budgetary Basis)	4,547,121	-
Fund Balance - July 1		
Actual Amounts (Budgetary Basis)	<u>61,669,393</u>	<u>-</u>
Fund Balance - June 30		
Actual Amounts (Budgetary Basis)	<u><u>\$ 66,216,514</u></u>	<u><u>\$ -</u></u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2021**

	Special Revenue				Total Nonmajor Governmental Funds
	Head Start	Special Revenue Trust	Food Service	Community Service	
<b>ASSETS</b>					
Cash and Investments	\$ -	\$ 2,166,766	\$ 824,459	\$ 3,864,361	\$ 6,855,586
Receivables:					
Accounts, Net	12,712	19,662	23,090	23,796	79,260
Due from Other Governments	273,564	-	181,006	-	454,570
Inventories and Prepaid Items	-	-	560,471	-	560,471
Total Assets	<u>\$ 286,276</u>	<u>\$ 2,186,428</u>	<u>\$ 1,589,026</u>	<u>\$ 3,888,157</u>	<u>\$ 7,949,887</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 25,671	\$ 7,623	\$ 82,710	\$ 5,949	\$ 121,953
Due to Other Funds	260,605	-	-	-	260,605
Unearned Revenues	-	-	57	-	57
Deposits Payable	-	-	191,642	-	191,642
Total Liabilities	<u>286,276</u>	<u>7,623</u>	<u>274,409</u>	<u>5,949</u>	<u>574,257</u>
<b>FUND BALANCES</b>					
Nonspendable	-	-	560,471	-	560,471
Restricted	-	229,921	754,146	3,882,208	4,866,275
Committed	-	1,948,884	-	-	1,948,884
Total Fund Balances	<u>-</u>	<u>2,178,805</u>	<u>1,314,617</u>	<u>3,882,208</u>	<u>7,375,630</u>
Total Liabilities and Fund Balances	<u>\$ 286,276</u>	<u>\$ 2,186,428</u>	<u>\$ 1,589,026</u>	<u>\$ 3,888,157</u>	<u>\$ 7,949,887</u>

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCES – NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Special Revenue				Total Nonmajor Governmental Funds
	Head Start	Special Revenue Trust	Food Service	Community Service	
<b>REVENUES</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000
Other Local Sources	-	730,784	46,199	2,740	779,723
State Sources	-	-	138,291	-	138,291
Federal Sources	2,309,465	-	4,415,865	-	6,725,330
Total Revenues	2,309,465	730,784	4,600,355	1,502,740	9,143,344
<b>EXPENDITURES</b>					
Instruction:					
Regular Instruction	510,369	11,499	-	-	521,868
Other Instruction	865,644	1,513	-	-	867,157
Total Instruction	1,376,013	13,012	-	-	1,389,025
Support Services:					
Pupil Services	427,410	-	-	-	427,410
Instructional Staff Services	20,805	26,201	-	-	47,006
General Administration Services	-	-	-	369,320	369,320
School Administration Services	272,960	789,344	-	-	1,062,304
Operations and Maintenance of Plant	50,060	-	63,742	15,320	129,122
Pupil Transportation Services	56,106	-	-	-	56,106
Food Services	10,425	-	5,167,945	-	5,178,370
Central Services	-	-	-	17	17
Total Support Services	837,766	815,545	5,231,687	384,657	7,269,655
Community Service	-	-	-	650,536	650,536
Nonprogram:					
Post-Secondary Scholarship Expenditures	-	15,800	-	-	15,800
Total Expenditures	2,213,779	844,357	5,231,687	1,035,193	9,325,016
<b>EXCESS OF REVENUES OVER (UNDER)</b>					
<b>EXPENDITURES</b>	95,686	(113,573)	(631,332)	467,547	(181,672)
<b>OTHER FINANCING USES</b>					
Transfers Out	(95,686)	-	-	-	(95,686)
Total Other Financing Uses	(95,686)	-	-	-	(95,686)
<b>NET CHANGE IN FUND BALANCE</b>	-	(113,573)	(631,332)	467,547	(277,358)
Fund Balance - Beginning of Year, As Restated	-	2,292,378	1,945,949	3,414,661	7,652,988
<b>FUND BALANCE - END OF YEAR</b>	\$ -	\$ 2,178,805	\$ 1,314,617	\$ 3,882,208	\$ 7,375,630

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF CHARTER SCHOOL AUTHORIZER OPERATING COSTS  
YEAR ENDED JUNE 30, 2021**

				Kenosha School of Technology		
	Object	The Brompton School	Dimensions of Learning	Enhance Curriculum	Kenosha E-School	Harborside Academy
Operating Activity:						
Employee Salaries	100	\$ 57,006	\$ 54,644	\$ 308,088	\$ 52,163	\$ 148,113
Employee Benefits	200	23,017	20,477	134,157	19,514	60,164
Purchased Services	300	4,681	2,099	26,921	1,252	13,946
Noncapital Objects	400	3,932	4,765	10,075	3,269	10,845
Other	900	-	11	6	-	51
Total		<u>\$ 88,636</u>	<u>\$ 81,996</u>	<u>\$ 479,247</u>	<u>\$ 76,198</u>	<u>\$ 233,119</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF CHARTER SCHOOL OPERATING COSTS  
YEAR ENDED JUNE 30, 2021**

Function:	WUFAR	The Brompton School	Dimensions of Learning	Kenosha School of Technology Enhance Curriculum	Kenosha E-School	Harborside Academy
Undifferentiated Curriculum	110000	\$ 1,054,991	\$ 1,312,534	\$ 7,165,529	\$ 1,213,492	\$ 4,001,278
Regular Curriculum	120000	425,598	161,679	5,575	-	43,343
Physical Curriculum	140000	41,914	65,391	160,450	-	10,755
Special Education	150000	29,648	1,359	826,652	71,165	343,903
Co-curriculum Activities	160000	-	-	-	-	1,442
Pupil Services	210000	53,349	3,776	95,907	122,310	200,049
Instructional Staff Training	220000	43,505	107,810	325,557	78,643	64,571
Building Administration	240000	262,638	118,770	1,138,693	199,540	451,802
General Operations	250000	71,272	63,068	1,003,052	19,543	278,125
Total		<u>\$ 1,982,915</u>	<u>\$ 1,834,387</u>	<u>\$ 10,721,415</u>	<u>\$ 1,704,693</u>	<u>\$ 5,395,268</u>



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

Board of Education  
Kenosha Unified School District  
Kenosha, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Kenosha Unified School District (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 9, 2021.

**Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

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

**CliftonLarsonAllen LLP**

Wauwatosa, Wisconsin  
December 9, 2021





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

Board of Education  
Kenosha Unified School District  
Kenosha, Wisconsin

**Report on Compliance for Each Major Federal and State Program**

We have audited the Kenosha Unified School District's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the Wisconsin *State Single Audit Guidelines* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2021. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

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

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

***Opinion on Each Major Federal and State Program***

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2021.


## **Report on Internal Control Over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the Wisconsin *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 and 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 and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



**CliftonLarsonAllen LLP**

Wauwatosa, Wisconsin  
December 9, 2021

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2021**

Grantor Agency/Federal Program Title	Federal Assistance Listing	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/20	Value or Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/21	Total Expenditures	Subrecipien Payments
<b>U.S. DEPARTMENT OF AGRICULTURE</b>								
<i>Child Nutrition Cluster</i>								
(COVID-19) School Breakfast Program	10.553	WI DPI	2021-302793-SB-546	\$ -	\$ 51,608	\$ -	\$ 51,608	\$ -
Total School Breakfast Program				-	51,608	-	51,608	
(COVID-19) - National School Lunch Program	10.555	WI DPI	2021-302793-NSL-547	-	137,068	-	137,068	
Donated Commodities	10.555	WI DPI	Unknown	-	525,554	-	525,554	
Total National School Lunch Program				-	662,622	-	662,622	
(COVID-19) - Summer Food Service Program for Children	10.559	WI DPI	2021-302793-SFSP-586	(93,108)	3,500,276	169,134	3,576,302	
Total Summer Food Service Program for Children				(93,108)	3,500,276	169,134	3,576,302	
<i>Total Child Nutrition Cluster</i>				(93,108)	4,214,506	169,134	4,290,532	
Fresh Fruit and Vegetable Program	10.582	WI DPI	2021-302793-DPI-FFVPOCTPUB-376	-	102,462	11,872	114,334	
Fresh Fruit and Vegetable Program	10.582	WI DPI	2021-302793-DPI-FFVPJULPUB-594	-	11,000	-	11,000	
Total Fresh Fruit and Vegetable Program				-	113,462	11,872	125,334	
Total U.S. Department of Agriculture				(93,108)	4,327,968	181,006	4,415,866	
<b>U.S. DEPARTMENT OF EDUCATION</b>								
Title I Grants to Local Educational Agencies	84.010A	WI DPI	2021-302793-DPI-TIA-141	(3,687,761)	7,696,952	1,751,951	5,761,142	
Title I Grants to Local Educational Agencies	84.010	WI DPI	2021-302793-DPI-TI-Delinquent-140	(2,177)	8,357	-	6,180	
Title I Grants to Local Educational Agencies	84.010A	WI DPI	2021-302793-DPI-TI-D N&D-144	-	16,471	3,946	20,417	
Total Title I Grants to Local Educational Agencies				(3,689,938)	7,721,780	1,755,897	5,787,739	
<i>Special Education Cluster (IDEA)</i>								
Special Education Grants to States	84.027A	WI DPI	2021-302793-DPI-IDEA-FT-341	(2,330,127)	8,015,560	1,324,781	7,010,214	
Total Special Education Grants to States				(2,330,127)	8,015,560	1,324,781	7,010,214	
Special Education Preschool Grants	84.173A	WI DPI	2021-302793-DPI-IDEA-P-347	(39,682)	150,112	12,997	123,427	
<i>Total Special Education Cluster (IDEA)</i>				(2,369,809)	8,165,672	1,337,778	7,133,641	

*The accompanying Notes to the Schedules of Expenditures of Federal and State Awards are an integral part of this schedule.*

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

Grantor Agency/Federal Program Title	Federal Assistance Listing	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/19	Value or Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/20	Total Expenditures	Subrecipien Payments
<b>U.S. DEPARTMENT OF EDUCATION (CONTINUED)</b>								
Career and Technical Education - Basic Grants to States	84.048	WI DPI	2021-302793-DPI-CTE-400	\$ (140,142)	\$ 277,320	\$ 23,907	\$ 161,085	\$
Education for Homeless Children and Youth	84.196	WI DPI	2020-302793-Education for Homeless Children and Youth-335	(12,267)	12,267	-	-	
English Language Acquisition State Grants	84.365A	WI DPI	2021-302793-DPI-TIIIA-391	(97,928)	227,113	25,455	154,640	
Supporting Effective Instruction State Grants	84.367A	WI DPI	2021-302793-DPI-TIIA-365	(245,458)	851,907	198,644	805,093	
Student Support and Academic Enrichment Program	84.424A	WI DPI	2021-302793-DPI-TIVA-381	(127,605)	303,697	117,786	293,878	
(COVID-19) Elementary and Secondary School Emergency Relief Fund	84.425D	WI DPI	2021-302793-DPI-ESSERF-160	-	1,740,423	1,945,746	3,686,169	
(COVID-19) Governors Emergency Education Relief Fund	84.425C	WI DPI	2021-302793-DPI-GEERF-162	-	-	632,994	632,994	
Total Education Stabilization Fund				-	1,740,423	2,578,740	4,319,163	
Total U.S. Department of Education				(6,683,147)	19,300,179	6,038,207	18,655,239	
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>								
Head Start	93.600	Direct Program	N/A	(252,019)	2,073,072	257,974	2,079,027	
(COVID-19) CARES Act - Head Start	93.600	Direct Program	N/A	-	165,448	15,590	181,038	
(COVID-19) American Rescue Plan (ARP) - Head Start	93.600	Direct Program	N/A	-	49,400	-	49,400	
Total Head Start				(252,019)	2,287,920	273,564	2,309,465	
Medical Assistance Program	93.778	WI DHS	44202800	(34,163)	2,136,935	109,863	2,212,635	
Total U.S. Department of Health and Human Services				(286,182)	4,424,855	383,427	4,522,100	
Total Federal Awards				<u>\$ (7,062,437)</u>	<u>\$ 28,053,002</u>	<u>\$ 6,602,640</u>	<u>\$ 27,593,205</u>	<u>\$</u>
Reconciliation to the Basic Financial Statements:								
Federal Sources							\$ 27,634,561	
Less JROTC not Subject to Single Audit							41,356	
Total Federal Awards							<u>\$ 27,593,205</u>	

The accompanying Notes to the Schedules of Expenditures of Federal and State Awards are an integral part of this schedule.

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
YEAR ENDED JUNE 30, 2021**

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number	(Accrued) Deferred Revenue 7/1/19	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/20	Total Expenditures	Subrecipient Payments
<b>WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION</b>								
Special Education and School Age Parents	255.101	Direct Program	302793-100	\$ -	\$ 11,506,656	\$ -	\$ 11,506,656	\$ -
State School Lunch Aid	255.102	Direct Program	302793-107	-	75,619	-	75,619	-
Common School Fund Library Aid	255.103	Direct Program	302793-104	-	978,464	-	978,464	-
Bilingual Bicultural Aid Lea	255.106	Direct Program	302793-111	-	67,086	-	67,086	-
General Transportation Aid	255.107	Direct Program	302793-102	-	245,413	-	245,413	-
WI School Day Milk Program	255.115	Direct Program	302793-109	-	14,691	-	14,691	-
Equalization Aids	255.201	Direct Program	302793-116	(2,450,728)	146,532,221	2,313,112	146,394,605	-
High Cost Special Education Aid	255.210	Direct Program	302793-119	-	88,722	-	88,722	-
Supplemental Per Pupil Aid	255.245	Direct Program	302793-181	-	61,905	-	61,905	-
Alcohol and Other Drug Abuse	255.306	Direct Program	302793-143	(256)	8,791	518	9,053	-
Head Start Supplement	255.327	Direct Program	302793-145	(36,163)	312,723	30,173	306,733	-
State School Breakfast Aid	255.344	Direct Program	302793-108	-	47,981	-	47,981	-
Tuition Payments by State	255.401	Direct Program	302793-157	-	150,478	-	150,478	-
Early College Credit Program	255.445	Direct Program	302793-178	-	4,704	-	4,704	-
Quality Matters	255.510	CESA #4	302793-180	(9,733)	9,733	-	-	-
High-Poverty Aid	255.926	Direct Program	302793-121	-	1,425,636	-	1,425,636	-
Educator Effective Evaluation System	255.940	Direct Program	302793-154	(28,160)	141,602	13,918	127,360	-
Per Pupil Aid	255.945	Direct Program	302793-113	-	15,115,282	-	15,115,282	-
Career and Technical Education Incentive Grants	255.950	Direct Program	302793-152	-	158,731	-	158,731	-
Assessments of Reading Readiness	255.956	Direct Program	302793-166	-	33,756	-	33,756	-
Special Education Transition Incentives Grant	255.959	Direct Program	302793-168	-	127,000	-	127,000	-
Total Wisconsin Department of Public Instruction				<u>(2,525,040)</u>	<u>177,107,194</u>	<u>2,357,721</u>	<u>176,939,875</u>	<u>-</u>
<b>WISCONSIN DEPARTMENT OF JUSTICE</b>								
School Safety Initiative	455.206	Direct Program	2018-SSI-01-13141	(284,804)	623,394	-	338,590	-
Total School Safety Initiative and Wisconsin Department of Justice				<u>(284,804)</u>	<u>623,394</u>	<u>-</u>	<u>338,590</u>	<u>-</u>
<b>WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT</b>								
Youth Apprenticeship Program	445.107	Direct Program	3659	(25,419)	82,105	15,434	72,120	-
Advanced Manufacturing	445.109	Direct Program	EF181AM10044	-	50,000	-	50,000	-
Total Wisconsin Department of Workforce Development				<u>(25,419)</u>	<u>132,105</u>	<u>15,434</u>	<u>122,120</u>	<u>-</u>
Total State Awards				<u>\$ (2,835,263)</u>	<u>\$ 177,862,693</u>	<u>\$ 2,373,155</u>	<u>\$ 177,400,585</u>	<u>\$ -</u>
Reconciliation to the Basic Financial Statements:								
State Sources							\$ 177,829,589	
Less: State Sources not Considered State Financial Assistance								
State Tax Computer Aid							389,423	
Payment in Lieu of Taxes (PILOT)							39,581	
Total State Awards							<u>\$ 177,400,585</u>	

The accompanying Notes to the Schedules of Expenditures of Federal and State Awards are an integral part of this schedule.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AND STATE AWARDS  
YEAR ENDED JUNE 30, 2021**

**NOTE 1 BASIS OF PRESENTATION**

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

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

**NOTE 2 SIGNIFICANT ACCOUNTING POLICIES**

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the District's 2021 fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and State Single Audit Guidelines, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the District in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded District expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances.

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

**NOTE 3 SPECIAL EDUCATION AND SCHOOL AGE PARENTS PROGRAM**

The 2020-2021 eligible costs under the State Special Education Program as reported by the District are \$40,057,905. Compiled information required by compliance requirement 1-1 of the Special Education Audit Program was reported to the Wisconsin Department of Public Instruction.

**NOTE 4 FOOD DISTRIBUTION**

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AND STATE AWARDS  
YEAR ENDED JUNE 30, 2021**

**NOTE 5    OVERSIGHT AGENCIES**

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

Federal - U.S. Department of Health and Human Services

State - Wisconsin Department of Public Instruction

**NOTE 6    PASS THROUGH ENTITIES**

Federal awards have been passed through the following entities:

WI DHS - Wisconsin Department of Health Services

WI DPI - Wisconsin Department of Public Instruction

**NOTE 7    DONATED SERVICES**

The District receives an undeterminable amount of donated services from a variety of unpaid volunteers assisting the Head Start program. Therefore, no amounts have been recorded in the Schedule of Expenditures of Federal Awards.

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021**

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***Section I – Summary of Auditors' Results***

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***Basic Financial Statements***

- |   |                                      |
|---|--------------------------------------|
| 1. Type of auditor's report issued:   | Unmodified                           |
| 2. Internal control over financial reporting:   |                                      |
| • Material weakness(es) identified?   | _____ Yes <u>  X  </u> No            |
| • Were significant deficiency(ies) identified not considered to be a material weakness(es)? | _____ Yes <u>  X  </u> None Reported |
| 3. Noncompliance material to basic financial statements noted?                              | _____ Yes <u>  X  </u> No            |

***Federal and State Awards***

- |  |                                      |
|--|--------------------------------------|
| 1. Internal control over compliance:   |                                      |
| • Material weakness(es) identified?  | _____ Yes <u>  X  </u> No            |
| • Were significant deficiency(ies) identified not considered to be a material weakness(es)?                                    | _____ Yes <u>  X  </u> None Reported |
| 2. Type of auditor's report issued on compliance for major programs:   | Unmodified                           |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)                           | _____ Yes <u>  X  </u> No            |
| 4. Any audit findings disclosed that are required to be reported in accordance with the <i>State Single Audit Guidelines</i> ? | _____ Yes <u>  X  </u> No            |



**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

***Identification of major federal programs:***

<b>CFDA Number(s)</b>	<b>Name of Federal Program</b>
84.010	Title I – Grants to Local Educational Agencies
84.027/84.173	Special Education Cluster
84.425C	(COVID-19) Elementary and Secondary School Emergency Relief Fund
84.425D	(COVID-19) Governors Emergency Relief Fund

***Identification of major state programs:***

<b>State ID Number(s)</b>	<b>Name of State Program</b>
255.101	Special Education and School-Age Parents – Part 1
255.201	General Equalization Aids

Audit threshold used to determine between Type A and Type B programs:

Federal	<u>\$ 750,000</u>
State	<u>\$ 250,000</u>

Auditee qualify as low-risk auditee?                            X       Yes                                           No

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section II – Financial Statement Findings***

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

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***Section III – Federal and State Award Findings and Questioned Costs***

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Our audit did not disclose any matters required to be reported in accordance with Uniform Guidance or the Wisconsin *State Single Audit Guidelines*.

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? No

2. Does the audit report show audit issues (i.e. material noncompliance, nonmaterial, noncompliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

Department of Public Instruction	No
Department of Justice	No
Department of Workforce Development	No

3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? No

4. Name and signature of partner

  
\_\_\_\_\_  
Jordan Boehm, CPA

5. Date of report December 9, 2021

## Elementary schools

### **Bose Elementary School**

1900 15th St., Kenosha, WI 53140  
Phone: 359-4044 Fax: 359-4005  
kUSD.edu/bose

### **Brass Community School**

6400 15th Ave., Kenosha, WI 53143  
Phone: 359-8000 Fax: 359-8050  
kUSD.edu/brass

### **Curtis Strange Elementary School**

5414 49th Ave., Kenosha, WI 53144  
Phone: 359-6024 Fax: 359-6247  
kUSD.edu/strange

### **EBSOLA Creative Arts**

2600 50th St., Kenosha, WI 53140  
Phone: 359-2300 Fax: 359-2400  
kUSD.edu/ebsolaca

### **Forest Park Elementary School**

6810 45th Ave., Kenosha, WI 53142  
Phone: 359-6319 Fax: 359-6170  
kUSD.edu/forestpark

### **Frank Elementary School**

1816 57th St., Kenosha, WI 53140  
Phone: 359-6324 Fax: 359-6393  
kUSD.edu/frank

### **Grant Elementary School**

1716 35th St., Kenosha, WI 53140  
Phone: 359-6346 Fax: 359-6672  
kUSD.edu/grant

### **Grewenow Elementary School**

7714 20th Ave., Kenosha, WI 53143  
Phone: 359-6362 Fax: 359-7706  
kUSD.edu/grewenow

### **Harvey Elementary School**

2012 19th Ave., Kenosha, WI 53140  
Phone: 359-4040 Fax: 359-4020  
kUSD.edu/harvey

### **Jefferson Elementary School**

1832 43rd St., Kenosha, WI 53140  
Phone: 359-6390 Fax: 359-7578  
kUSD.edu/jefferson

### **Jeffery Elementary School**

4011 87th St., Kenosha, WI 53142  
Phone: 359-2100 Fax: 359-2033  
kUSD.edu/jeffery

### **McKinley Elementary School**

5520 32nd Ave., Kenosha, WI 53144  
Phone: 359-6002 Fax: 359-7641  
kUSD.edu/mckinley

### **Nash Elementary School**

6801 99th Ave., Kenosha, WI 53142  
Phone: 359-3500 Fax: 359-3550  
kUSD.edu/nash

### **Pleasant Prairie Elementary School**

9208 Wilmot Road, Pleasant Prairie, WI 53158  
Phone: 359-2104 Fax: 359-2157  
kUSD.edu/pleasantprairie

### **Prairie Lane Elementary School**

10717 47th Ave., Pleasant Prairie, WI 53158  
Phone: 359-3600 Fax: 359-3650  
kUSD.edu/prairielane

### **Roosevelt Elementary School**

3322 Roosevelt Road, Kenosha, WI 53142  
Phone: 359-6097 Fax: 359-6107  
kUSD.edu/roosevelt

### **Somers Elementary School**

1245 72nd Ave., Kenosha, WI 53144  
Phone: 359-3200 Fax: 359-3212  
kUSD.edu/somers

### **Southport Elementary School**

723 76th St., Kenosha, WI 53143  
Phone: 359-6309 Fax: 359-5952  
kUSD.edu/southport

### **Stocker Elementary School**

6315 67th St., Kenosha, WI 53142  
Phone: 359-2143 Fax: 359-2012  
kUSD.edu/stocker

### **Vernon Elementary School**

8518 22nd Ave., Kenosha, WI 53143  
Phone: 359-2113 Fax: 359-2169  
kUSD.edu/vernon

### **Whittier Elementary School**

8542 Cooper Road, Pleasant Prairie, WI 53158  
Phone: 359-2110 Fax: 359-2270  
kUSD.edu/whittier

### **Wilson Elementary School**

4520 33rd Ave., Kenosha, WI 53144  
Phone: 359-6094 Fax: 359-5993  
kUSD.edu/wilson

## Charter schools

### **Harborside Academy**

(Grades 6-12)  
913 57th St., Kenosha, WI 53140  
Phone: 359-8400 Fax: 359-8450  
kUSD.edu/harborside

### **Kenosha School of Technology Enhanced Curriculum (KTEC)**

KTEC East (Grades K-8):  
6811 18th Ave., Kenosha, WI 53143  
Phone: 359-3800 Fax: 359-3850  
KTEC West (Grades 4K-8):  
5710 32nd Ave., Kenosha, WI 53144  
Phone: 359-7100 Fax: 359-7070  
kUSD.edu/ktc

### **Kenosha eSchool**

(Online school, grades K-12)  
1808 41st Place, Kenosha, WI 53140  
Phone: 359-7715 Fax: 359-5933  
kUSD.edu/eschool

### **The Brompton School**

(Grades K-8)  
8518 22nd Ave., Kenosha, WI 53143  
Phone: 359-2191 Fax: 359-2194  
kUSD.edu/brompton

### **Dimensions of Learning Academy**

(Grades K-8)  
6218 25th Ave., Kenosha, WI 53143  
Phone: 359-6849 Fax: 359-3134  
kUSD.edu/dimensions

## Head Start Center

### **Cesar E. Chavez Learning Station**

6300 27th Ave., Kenosha, WI 53143  
Phone: 359-6078 Fax: 359-6286  
kUSD.edu/chavez

## Specialty schools

### **Hillcrest School**

(Bridges Center/T.I.M.E. Program, grades 6-12)  
4616 24th St., Kenosha, WI 53144  
Phone: 359-6118 Fax: 359-7870  
kUSD.edu/hillcrest

## Middle schools

### **Bullen Middle School**

2804 39th Ave., Kenosha, WI 53144  
Phone: 359-4460 Fax: 359-4487  
kUSD.edu/bullen

### **Lance Middle School**

4515 80th St., Kenosha, WI 53142  
Phone: 359-2240 Fax: 359-2184  
kUSD.edu/lance

### **Lincoln Middle School**

6729 18th Ave., Kenosha, WI 53143  
Phone: 359-6296 Fax: 359-5966  
kUSD.edu/lincoln

### **Mahone Middle School**

6900 60th St., Kenosha, WI 53144  
Phone: 359-8100 Fax: 359-6851  
kUSD.edu/mahone

### **Washington Middle School**

811 Washington Road, Kenosha, WI 53140  
Phone: 359-6291 Fax: 359-6056  
kUSD.edu/washington

## High schools

### **Bradford High School**

3700 Washington Road, Kenosha, WI 53144  
Phone: 359-6200 Fax: 359-5948  
kUSD.edu/bradford

### **ITHSA High School**

6800 60th St., Kenosha, WI 53144  
Phone: 359-8700 Fax: 359-8756  
kUSD.edu/indiantrail

### **Tremper High School**

8560 26th Ave., Kenosha, WI 53143  
Phone: 359-2200 Fax: 359-2353  
kUSD.edu/tremper

## Choice schools

### **LakeView Technology Academy** (Grades 9-12)

9449 88th Ave., Pleasant Prairie, WI 53158  
Phone: 359-8155 Fax: 359-8159  
kUSD.edu/lakeview

### **Reuther Central High School** (Grades 9-12)

913 57th St., Kenosha, WI 53140  
Phone: 359-6160 Fax: 359-6281  
kUSD.edu/reuther

### **ITHSA Academy**

6800 60th St., Kenosha, WI 53144  
Phone: 359-8700 Fax: 359-8756  
kUSD.edu/indiantrail

### **EBSOLA Dual Language**

2600 50th St., Kenosha, WI 53140  
Phone: 359-2300 Fax: 359-2400  
kUSD.edu/ebsoladl