

**WISCONSIN RAPIDS PUBLIC SCHOOLS  
WISCONSIN RAPIDS, WISCONSIN**

**FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITORS' REPORT**

**JUNE 30, 2024**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Education  
Wisconsin Rapids Public Schools  
Wisconsin Rapids, Wisconsin

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Wisconsin Rapids Public Schools, Wisconsin, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Wisconsin Rapids Public Schools's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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 Wisconsin Rapids Public Schools, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, Wisconsin Retirement System pension schedules, Wisconsin Retirement System local retiree life insurance fund, and OPEB healthcare defined benefit plan schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Wisconsin Rapids Public Schools' basic financial statements. The combining and individual nonmajor fund financial statements, schedule of charter school authorizer operating costs, schedule of expenditures of federal awards, and the schedule of state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and *State Single Audit Guidelines* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of charter school authorizer operating costs, schedule of expenditures of federal awards, and the schedule of state financial assistance 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 5, 2024 on our consideration of the Wisconsin Rapids Public Schools' 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 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 Wisconsin Rapids Public Schools' internal control over financial reporting and compliance.

HAWKINS ASH CPAS, LLP

A handwritten signature in dark ink that reads "Hawkins Ash CPAs, LLP". The signature is written in a cursive, flowing style.

Manitowoc, Wisconsin  
December 5, 2024

**WISCONSIN RAPIDS PUBLIC SCHOOLS  
WISCONSIN RAPIDS, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS**



## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Wisconsin Rapids Public Schools ("District"), we offer readers of the District's basic financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2024. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the District's basic financial statements, which follow this narrative.

### FINANCIAL HIGHLIGHTS

Total governmental activities revenue was \$93,491,569; including \$24,256,032 of property taxes and \$53,515,450 of general state and federal aid. Total governmental activities expenditures were \$86,791,049; including \$40,280,317 for direct instruction.

The District's financial status, as reflected in total net position, increased by \$6,700,520.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements are comprised of 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition, other information supplementary to the basic financial statements is provided.

The basic financial statements consist of two kinds of statements that present different views of the District's financial activities.

- The *Statement of Net Position* and *Statement of Activities* provide information on a district-wide basis. The statements present an aggregate view of the District's finances. District-wide statements contain useful long-term information as well as information for the just-completed fiscal year.
- The remaining statements are *fund financial statements* that focus on individual parts of the District. Fund statements generally report operations in more detail than the district-wide statements.

The *notes to the financial statements* provide further explanation of some of the information in the statements and provide additional disclosures so statement users have a complete picture of the District's financial activities and position.

*Required supplementary information* further explains and supports the financial statements by including a comparison of the District's budget data for the year.

The major features of the District's financial statements, including the activities reported and the type of information contained is shown in the following table.

## Major Features of the District-wide and Fund Financial Statements

		Fund Financial Statements	
	District-Wide Statements	Governmental	Fiduciary
Scope	Entire District (except fiduciary funds).	The activities of the District that are not proprietary or fiduciary, such as instructional, support services, debt service, capital projects, and community services.	Assets held by the District on behalf of someone else.
Required financial statements	Statement of net position. Statement of activities.	Balance Sheet. Statement of revenues, expenditures and changes in fund balance.	Statement of net position. Statement of changes in net position.
Basis of accounting and measurement focus	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial resources focus.	Accrual accounting and economic resources focus.
Type of asset and liability information	All assets and liabilities; both financial and capital, short-term and long-term.	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter. No capital assets or long-term liabilities included.	All assets and liabilities, both financial and capital; short-term and long-term. These funds do not currently contain any capital assets, although they can.
Type of inflow and outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; received during or soon after expenditures when goods or services have been received and the related liability are due and payable.	All additions or deductions during the year, regardless of when cash is received or paid.

## DISTRICT-WIDE STATEMENTS

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of activities reports all revenues and expenses used to support the District. The statement of net position reports all assets, deferred outflows of resources, liabilities, and deferred inflows of resources available to support District activities. The two district-wide statements report the District's *net position* and how they have changed. Net position, the difference between the District's assets and liabilities, is one way to measure the District's overall financial position. Increases or decreases in the District's net position are one indicator of whether its financial position is improving or deteriorating, respectively. To assess the overall financial condition of the District, additional non-financial factors, such as changes in the District's property tax base and the condition of school buildings and other facilities should be considered.

In the district-wide financial statements, the District's activities are reported as governmental activities. Most of the District's basic services are included here, such as regular and special education, transportation, support services, debt service, capital projects, food service, community programs and administration. Property taxes and state formula aid finance most of these activities.

## FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the District's *funds*, focusing on its most significant or "major" funds - not the District as a whole. Funds are accounting devices the District uses to keep track of sources of funding and spending on particular programs and to demonstrate compliance with various regulatory requirements. Some funds are required by state law and by bond covenants. The District establishes other funds to control and manage money for particular purposes (like repaying its long-term debt) or to show that it is properly using certain revenues (like capital project funds).

The District has two kinds of funds:

- *Governmental funds* - Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for funding future basic services. Governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Governmental funds information does not report on long-term commitments as is reported on the district-wide statements.
- *Fiduciary fund* - The District serves as a trustee, or fiduciary, for retired employees. The District is responsible for ensuring that the assets reported in this fund is used only for the intended purposes and only by those to whom the assets belong. These activities are excluded from the district-wide financial statements because the District cannot use these assets to finance its operations.

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Table 1, below, provides a summary of the District's net position for the year ended June 30, 2024 compared to 2023. The District's combined net position increased by \$6,700,520. Specific causes of the increase are discussed later in this document.

<b>Table 1</b> <b>Condensed Statement of Net Position</b> (in thousands of dollars)			
	Governmental Activities		Total % Change
	2024	2023	2023 - 2024
Current and other assets	\$ 35,289	\$ 35,400	-0.31%
Capital assets	118,621	120,673	-1.70%
Total assets	<u>153,910</u>	<u>156,073</u>	-1.39%
Deferred outflows of resources	<u>32,639</u>	<u>45,960</u>	-28.98%
Long-term liabilities			
outstanding	57,098	71,678	-20.34%
Other liabilities	<u>3,542</u>	<u>4,237</u>	-16.41%
Total liabilities	<u>60,640</u>	<u>75,916</u>	-20.12%
Deferred inflows of resources	<u>25,366</u>	<u>32,264</u>	-21.38%
Net position:			
Net investment in capital assets	87,753	81,850	7.21%
Restricted	10,660	10,923	-2.41%
Unrestricted	<u>2,130</u>	<u>1,079</u>	-97.41%
Total net position	<u>\$ 100,543</u>	<u>\$ 93,853</u>	7.13%
Note: Totals may not add due to rounding.			

**Table 2**  
**Changes in Net Position**  
(in thousands of dollars)

	Governmental Activities		Total % Change
	2024	2023	2023 - 2024
<b>Revenues</b>			
Program revenues			
Charges for services	\$ 971	\$ 979	-0.82%
Operating grants and contributions	9,007	8,667	3.92%
General revenues			
Property taxes	24,256	24,136	0.50%
State and federal aid	53,515	52,120	2.68%
Other	5,742	8,150	-29.55%
Total revenues	<u>93,492</u>	<u>94,053</u>	-0.60%
<b>Expenses</b>			
Instruction	40,280	41,846	-3.74%
Pupil and instructional services	10,196	10,338	-1.37%
Administration and business	23,255	23,936	-2.85%
Interest on debt	923	1,003	-7.98%
Other	12,137	10,918	11.17%
Total expenses	<u>86,791</u>	<u>88,042</u>	-1.42%
 Increase in net position	 <u>\$ 6,701</u>	 <u>\$ 6,011</u>	 11.48%

Note: Totals may not add due to rounding.

Table 2 provides summarized operating results and their impact on net position.

The District relies primarily on state and federal aids (57%) and property taxes (26%) to fund governmental activities. These two funding sources make up 83% of the total revenues.

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

**Table 3**  
**Net Cost of Governmental Activities**  
(in thousands of dollars)

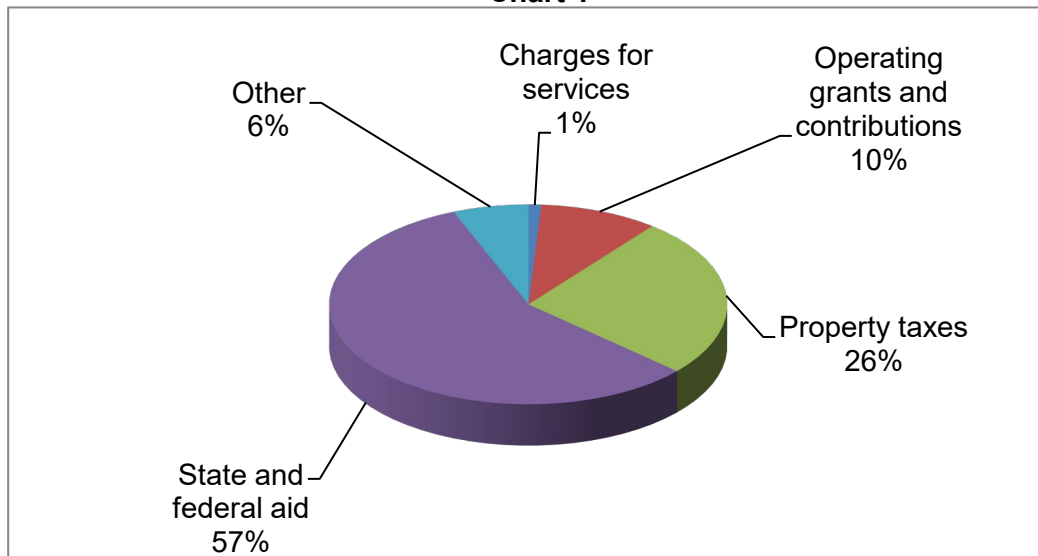
	Net Cost of Services		Total % change
	2024	2023	2023 - 2024
Instruction	\$ 34,418	\$ 36,199	-4.92%
Pupil and instructional services	9,799	10,020	-2.21%
Administration and business	19,537	20,255	-3.54%
Interest on debt	923	1,003	-7.98%
Other	12,137	10,918	11.17%
Total	<u>\$ 76,813</u>	<u>\$ 78,396</u>	-2.02%

Note: Totals may not add due to rounding.

The cost of all governmental activities this year was \$86,791,049. Individuals who directly participated or benefited from a program offering paid for \$971,321 of the costs. Federal and state governments subsidized certain programs with grants and contributions of \$9,006,737. The net cost of governmental activities, \$76,812,991, was financed by general revenues of the District.

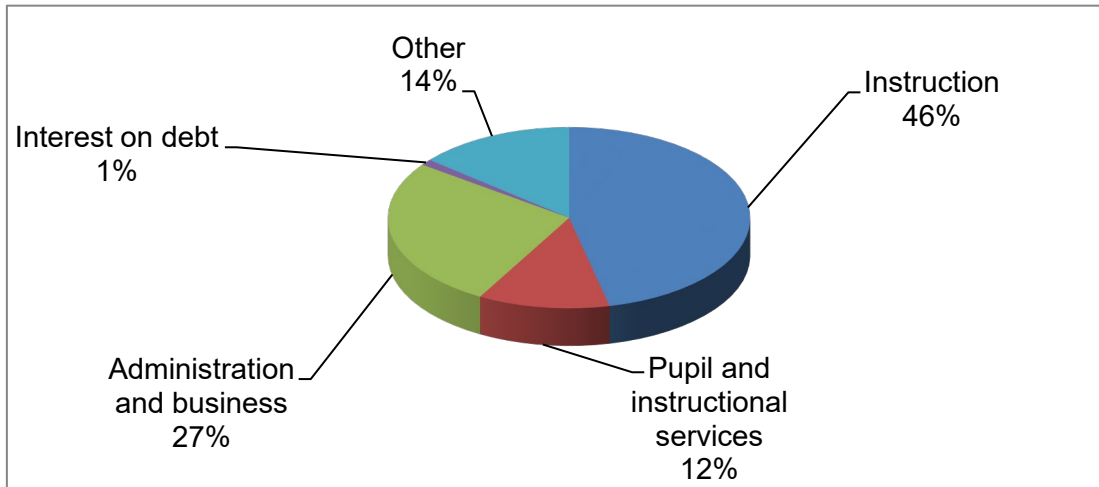
The composition of governmental revenues by source and expenditures by type are illustrated below.

**Governmental Activities Revenue by Type**  
**Chart 1**



Note: Totals may not add due to rounding.

**Governmental Activities Expenditure by Type**  
**Chart 2**



Note: Totals may not add due to rounding.

The District completed the year with a total governmental fund balance of \$31,850,856, an increase from last year's ending fund balance of \$390,095.

The general fund had an increase in fund balance of \$1,332,934.

The non-referendum approved debt service fund had a decrease in fund balance of \$53,500.

The referendum approved debt service fund had a decrease of \$403,517. The fund balance of the debt service fund will fluctuate each year.

The long term capital improvement fund had an increase in fund balance of \$440,626.

The other governmental funds had a fund balance decrease of \$926,448.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The District reviews an interim budget in May for the subsequent year (beginning July 1st). Consistent with current state statutes and regulations an original budget is adopted in October, following determination of official enrollment and certification of general state aids. Generally, the original budget is not significantly modified.

While the District's final budget for the general fund anticipated that expenditures would match revenues, the actual results for the year showed revenues exceeded expenditures by \$1,332,934.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At the end of fiscal year 2024, the District had invested \$201,538,706 in capital assets, including land, land improvements, buildings, equipment, SBITA, and construction in progress (See Table 4). Total accumulated depreciation/amortization on these assets is \$82,917,887. Asset acquisitions for governmental activities totaled \$36,703,973. The District recognized depreciation/amortization expense of \$4,849,431 for governmental activities. Detailed information about capital assets can be found in the notes to the financial statements.

<b>Table 4</b> <b>Capital Assets</b> <i>(net of depreciation, in thousands of dollars)</i>			
	Governmental Activities		Total % change
	2024	2023	2023 - 2024
Land	\$ 283	\$ 283	0.00%
Land improvements	2,855	2,855	0.00%
Buildings	176,135	142,039	24.00%
Equipment	19,455	18,732	3.86%
SBITA	490	617	-20.58%
Construction in progress	2,321	34,717	-93.31%
Less: accumulated depreciation/amortization	(82,918)	(78,570)	5.53%
Total	<u>\$ 118,621</u>	<u>\$ 120,673</u>	-1.70%

Note: Totals may not add due to rounding.

### Long-Term Debt

At year-end, the District had \$57,098,133 in notes payable and other long-term debt outstanding - a decrease of 20.3% from last year (see Table 5). Detailed information about the District's long-term liabilities is presented in the notes to the financial statements.

<b>Table 5</b> <b>Outstanding Long-Term Obligations</b> <i>(in thousands of dollars)</i>			
	Governmental Activities		Total % change
	2024	2023	2023 - 2024
General obligation debt	\$ 27,845	\$ 35,280	-21.07%
Other	29,253	36,398	-19.63%
Total	<u>\$ 57,098</u>	<u>\$ 71,678</u>	-20.34%

Note: Totals may not add due to rounding.

The District added \$0 of bonds and notes payable and retired \$7,435,000 of bonds and notes payable during the year, increased the OPEB healthcare liability by \$341,828, decreased the Wisconsin Retirement System liability by \$7,802,591, and increased the Wisconsin Retirement System LRLIF liability by \$830,965, which played a role in the total decreased debt amount of \$14,580,049.

Debt of the District is secured by an irrevocable tax levy adopted by the School Board at the time of issuance. Wisconsin state statutes require that the first property tax receipts be segregated for annual debt service payments.

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

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

Residents also authorized the district to exceed the revenue limit by \$2,000,000 per year for five years ending in the 2025-26 school year for non-recurring purposes of technology and curriculum updates.

The District has been systematically growing its general fund balance with the long-term goal of increasing its financial stability and discontinuing the use of short-term borrowing for cash flow needs. The District was able to discontinue the use of short-term borrowing beginning with the 2019-20 school year.

The State of Wisconsin has increased the per pupil revenue limit authority by \$325 for the 2024-25 school year, and an additional \$325 is planned for the 2025-26 school year. This amount could change due to the State of Wisconsin Biennial Budget process. Per pupil, categorical aid has been frozen since the 2019-20 school year. The revenue limit increases will not fully offset inflationary pressures felt by the District.

ESSER funds were fully exhausted at the beginning of the 2024-25 school year. Employee compensation paid with these funds has been transitioned to other districts' non-grant funds, creating budgetary constraints for the current and future school years.

Since the 2019-20 school year, total revenue limit student FTE has decreased by 292.

As of the most recent third Friday headcount, the district had 194 students open enrollment (OE) in vs. 421 OE out for a net loss of 227 students. The District needs to maintain the quality of instruction and physical property to remain competitive in the open enrollment environment.

The district does not anticipate significant labor negotiation issues but is concerned with the tight labor pool and increased wage pressures. With the small increases in state per-pupil funding, it will be challenging to offer a CPI increase.

The District's health plan continues to see significant cost increases. These increases far exceed inflation. Substantial increases in health insurance costs will compete with school staffing and annual CPI compensation increases.

Key Benefits Concepts, LLC., completed an actuarial study of our post-retirement benefits and determined the post-retirement benefit liability as of 6/30/23 was \$22,170,567. At that time, the trust held \$4,498,305 of assets with a funding ratio of 20.3%. Another report will be completed in the 2025-26 school year.

## **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact, Mr. Aaron Nelson, Director of Business Services, 510 Peach Street, Wisconsin Rapids, WI 54494.

**WISCONSIN RAPIDS PUBLIC SCHOOLS  
WISCONSIN RAPIDS, WISCONSIN**

**BASIC  
FINANCIAL STATEMENTS**

**WISCONSIN RAPIDS PUBLIC SCHOOLS  
WISCONSIN RAPIDS, WISCONSIN**

**DISTRICT-WIDE  
FINANCIAL STATEMENTS**

**WISCONSIN RAPIDS PUBLIC SCHOOLS**

STATEMENT OF NET POSITION

JUNE 30, 2024

	GOVERNMENTAL ACTIVITIES
<b>ASSETS</b>	
Cash and investments	\$ 27,217,129
Receivables	
Accounts	27,449
Taxes	5,781,629
Leases	119,153
Due from other governments	2,144,040
Capital assets (net of accumulated depreciation/amortization)	
Capital assets not being depreciated	2,603,439
Capital assets being depreciated	115,732,688
SBITA assets being amortized	284,692
<b>TOTAL ASSETS</b>	<u>153,910,219</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Wisconsin Retirement System pension	25,247,234
Wisconsin Retirement System LRLIF	1,912,205
OPEB healthcare	5,479,305
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>32,638,744</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u><u>186,548,963</u></u>
<b>LIABILITIES</b>	
Accounts payable	347,817
Self insurance claims payable	165,086
Accrued liabilities	
Payroll, payroll taxes, insurance	2,741,663
Interest	222,227
Due to other governments	476
Unearned revenue	64,349
Current portion of long-term obligations	5,612,404
Noncurrent portion of long-term obligations	51,485,729
<b>TOTAL LIABILITIES</b>	<u>60,639,751</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Wisconsin Retirement System pension	15,890,764
Wisconsin Retirement System LRLIF	2,828,328
OPEB healthcare	6,517,844
Leases	128,999
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>25,365,935</u>
<b>NET POSITION</b>	
Net investment in capital assets	87,752,691
Restricted for	
Special revenue	1,277,967
Debt service	507,523
Capital projects	8,874,826
Unrestricted	2,130,270
<b>TOTAL NET POSITION</b>	<u>100,543,277</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u><u>\$ 186,548,963</u></u>

The accompanying notes are an integral part of these statements.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2024

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUE		NET (EXPENSES)
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	REVENUE AND CHANGES IN NET POSITION
GOVERNMENTAL ACTIVITES				
Instruction				
Regular instruction	\$ 24,895,990	\$ -	\$ -	\$ (24,895,990)
Vocational instruction	1,890,743	-	68,604	(1,822,139)
Special instruction	10,368,730	62,026	5,731,681	(4,575,023)
Other instruction	3,124,854	-	-	(3,124,854)
Total instruction	40,280,317	62,026	5,800,285	(34,418,006)
Support services				
Pupil services	5,670,586	-	-	(5,670,586)
Instructional staff services	4,525,534	1,578	395,729	(4,128,227)
General administration services	978,448	-	-	(978,448)
Building administration services	3,209,687	-	-	(3,209,687)
Business services	19,067,118	907,717	2,810,723	(15,348,678)
Central services	691,678	-	-	(691,678)
Insurance	383,901	-	-	(383,901)
Interest and other	922,805	-	-	(922,805)
Other support services	1,914,613	-	-	(1,914,613)
Community services	597,865	-	-	(597,865)
Total support services	37,962,235	909,295	3,206,452	(33,846,488)
Non-program transactions	8,548,497	-	-	(8,548,497)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 86,791,049	\$ 971,321	\$ 9,006,737	(76,812,991)

**General revenues**

Taxes	
Property taxes	24,256,032
State and federal aids not restricted to specific functions	53,515,450
Interest and investment earnings	1,404,550
Miscellaneous	<u>4,337,479</u>
Total general revenues	<u>83,513,511</u>

CHANGE IN NET POSITION	6,700,520
NET POSITION - BEGINNING OF YEAR	93,852,603
PRIOR PERIOD ADJUSTMENT	<u>(9,846)</u>
<b>NET POSITION - END OF YEAR</b>	<b><u>\$ 100,543,277</u></b>

The accompanying notes are an integral part of these statements.

**WISCONSIN RAPIDS PUBLIC SCHOOLS  
WISCONSIN RAPIDS, WISCONSIN**

**FUND  
FINANCIAL STATEMENTS**

**WISCONSIN RAPIDS PUBLIC SCHOOLS**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2024

	GENERAL FUND	NON-REFERENDUM DEBT SERVICE FUND	REFERENDUM APPROVED DEBT SERVICE FUND	LONG TERM CAPITAL IMPROVEMENT TRUST	TOTAL NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>						
Cash and investments	\$ 13,829,721	\$ 182,375	\$ 325,148	\$ 5,858,791	\$ 7,021,094	\$ 27,217,129
Receivables						
Accounts	-	-	-	-	27,449	27,449
Taxes	5,781,629	-	-	-	-	5,781,629
Due from other funds	14,928	-	-	-	-	14,928
Due from other governments	2,075,735	-	-	-	68,305	2,144,040
<b>TOTAL ASSETS</b>	<b>21,702,013</b>	<b>182,375</b>	<b>325,148</b>	<b>5,858,791</b>	<b>7,116,848</b>	<b>35,185,175</b>
<b>LIABILITIES</b>						
Accounts payable	341,112	-	-	-	6,705	347,817
Self insurance claims payable	165,086	-	-	-	-	165,086
Accrued payroll liabilities	2,728,830	-	-	-	12,833	2,741,663
Due to other funds	-	-	-	-	14,928	14,928
Due to other governments	476	-	-	-	-	476
Unearned revenue	8,211	-	-	-	56,138	64,349
<b>TOTAL LIABILITIES</b>	<b>3,243,715</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90,604</b>	<b>3,334,319</b>
<b>FUND BALANCES</b>						
Restricted	-	182,375	325,148	5,858,791	4,294,002	10,660,316
Committed	18,458,298	-	-	-	1,099,470	19,557,768
Assigned	-	-	-	-	1,632,772	1,632,772
<b>TOTAL FUND BALANCES</b>	<b>18,458,298</b>	<b>182,375</b>	<b>325,148</b>	<b>5,858,791</b>	<b>7,026,244</b>	<b>31,850,856</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 21,702,013</b>	<b>\$ 182,375</b>	<b>\$ 325,148</b>	<b>\$ 5,858,791</b>	<b>\$ 7,116,848</b>	

**Total net position reported for governmental activities in the statement of net position is different from the amount reported above as total governmental funds fund balance because:**

Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund statements. Amounts reported for governmental activities in the statement of net position are:

Governmental capital asset	\$ 201,048,572	
Governmental accumulated depreciation	(82,712,445)	118,336,127
Governmental SBITA assets	\$ 490,134	
Governmental accumulated amortization	(205,442)	284,692
Lease receivable	\$ 119,153	
Lease deferred inflow	(128,999)	(9,846)

Wisconsin Retirement System liability, deferred inflows of resources, and deferred outflows of resources are not current financial resources and are not reported in fund statements: 8,440,347

Other post employment benefits deferred inflows of resources and deferred outflows of resources are not current financial resources and are not reported in fund statements: (1,038,539)

Long-term liabilities are not due in the current period and therefore are not reported in the fund statements. Long-term liabilities reported in the statement of net position that are not reported in the funds balance sheet are:

General obligation debt	\$ (27,845,000)	
Premium	(2,627,402)	
Capital leases	(221,016)	
SBITA payable	(174,710)	
Accrued interest	(222,227)	
Vested employee benefits	(136,655)	
WRS liability	(8,421,088)	
Net OPEB obligation	(17,672,262)	(57,320,360)

**Total net position - governmental activities** **\$ 100,543,277**

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2024**

	GENERAL FUND	NON-REFERENDUM DEBT SERVICE FUND	REFERENDUM APPROVED DEBT SERVICE FUND	LONG TERM CAPITAL IMPROVEMENT TRUST	OTHER CAPITAL PROJECTS FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>							
Property taxes	\$ 15,901,517	\$ 2,548,250	\$ 5,806,265	\$ -	\$ -	\$ -	\$ 24,256,032
Other local sources	1,315,471	-	31,586	354,805	-	2,753,031	4,454,893
Interdistrict sources	1,758,502	-	-	-	-	-	1,758,502
Intermediate sources	375,208	-	-	-	-	-	375,208
State sources	52,533,757	-	-	-	-	46,491	52,580,248
Federal sources	6,942,197	-	-	-	-	2,579,212	9,521,409
Other sources	280,207	-	-	-	-	265,582	545,789
<b>TOTAL REVENUES</b>	<b>79,106,859</b>	<b>2,548,250</b>	<b>5,837,851</b>	<b>354,805</b>	<b>-</b>	<b>5,644,316</b>	<b>93,492,081</b>
<b>EXPENDITURES</b>							
Current							
Instruction							
Regular instruction	24,492,942	-	-	-	-	71,159	24,564,101
Vocational instruction	1,831,923	-	-	-	-	22,337	1,854,260
Special instruction	10,240,978	-	-	-	-	-	10,240,978
Other instruction	3,260,461	-	-	-	-	4,837	3,265,298
Total instruction	39,826,304	-	-	-	-	98,333	39,924,637
Support services							
Pupil services	5,641,960	-	-	-	-	51,111	5,693,071
Instructional staff services	4,432,787	-	-	-	-	295	4,433,082
General administration services	964,487	-	-	-	-	-	964,487
Building administration services	3,232,104	-	-	-	-	-	3,232,104
Business services	10,805,607	-	-	687,133	-	4,549,557	16,042,297
Central services	401,099	-	-	-	-	26,210	427,309
Insurance	383,901	-	-	-	-	-	383,901
Other support services	1,878,001	-	-	-	-	4,666	1,882,667
Community services	-	-	-	-	-	608,088	608,088
Total support services	27,739,946	-	-	687,133	-	5,239,927	33,667,006
Non-program transactions	8,548,536	-	-	-	-	523	8,549,059
Debt service							
Principal	381,046	2,140,000	1,320,000	-	-	-	3,841,046
Interest	16,506	461,750	884,608	-	-	-	1,362,864
Other	-	-	15,330	-	-	-	15,330
Total debt service	397,552	2,601,750	2,219,938	-	-	-	5,219,240
Capital outlay	720,479	-	-	56,232	-	1,231,981	2,008,692
<b>TOTAL EXPENDITURES</b>	<b>77,232,817</b>	<b>2,601,750</b>	<b>2,219,938</b>	<b>743,365</b>	<b>-</b>	<b>6,570,764</b>	<b>89,368,634</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>1,874,042</b>	<b>(53,500)</b>	<b>3,617,913</b>	<b>(388,560)</b>	<b>-</b>	<b>(926,448)</b>	<b>4,123,447</b>
<b>OTHER FINANCING (USES) SOURCES</b>							
Net transfer (to) from other funds	(829,186)	-	-	829,186	-	-	-
Capital lease proceeds	288,028	-	-	-	-	-	288,028
Insurance proceeds and sale of capital assets	50	-	-	-	-	-	50
Payment to refunded bond escrow agent	-	-	(4,021,430)	-	-	-	(4,021,430)
<b>TOTAL OTHER FINANCING (USES) SOURCES</b>	<b>(541,108)</b>	<b>-</b>	<b>(4,021,430)</b>	<b>829,186</b>	<b>-</b>	<b>-</b>	<b>(3,733,352)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>1,332,934</b>	<b>(53,500)</b>	<b>(403,517)</b>	<b>440,626</b>	<b>-</b>	<b>(926,448)</b>	<b>390,095</b>
<b>FUND BALANCE - BEGINNING OF YEAR</b>							
AS PREVIOUSLY REPORTED	17,125,364	235,875	728,665	5,418,165	3,022,923	4,929,769	31,460,761
CHANGE WITHIN THE FINANCIAL REPORTING ENTITY	-	-	-	-	(3,022,923)	3,022,923	-
<b>FUND BALANCE - BEGINNING OF YEAR, AS RESTATED</b>	<b>17,125,364</b>	<b>235,875</b>	<b>728,665</b>	<b>5,418,165</b>	<b>-</b>	<b>7,952,692</b>	<b>31,460,761</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 18,458,298</b>	<b>\$ 182,375</b>	<b>\$ 325,148</b>	<b>\$ 5,858,791</b>	<b>\$ -</b>	<b>\$ 7,026,244</b>	<b>\$ 31,850,856</b>

The accompanying notes are an integral part of these statements.

**WISCONSIN RAPIDS PUBLIC SCHOOLS****RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2024**

Net change in fund balances - total governmental funds \$ 390,095

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

The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.

Capital outlay reported in fund statements	\$ 2,008,692	
Capital outlay reported as other expenses in fund statements	793,569	
Depreciation expense reported in the statement of activities	(4,683,399)	
Amortization expense of SBITA assets in the statement of activities	(166,032)	
Net book value of capital assets disposed	<u>(4,586)</u>	
Amount by which capital outlays are less than depreciation in the current period:		(2,051,756)

The amount of the loans is reported in the governmental funds as a source of financing. In the statement of net position however, loans are not reported as a financing source, but rather constitute a long-term liability. The amount of loans reported in the governmental funds statement is: (288,028)

Certain employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year.

This year the accrual of these benefits increased by: (3,749)

Wisconsin Retirement System pension asset, deferred outflows of resources, liability, and deferred inflows of resources changes: 574,812

Wisconsin Retirement System LRLIF, deferred outflows of resources, liability, and deferred inflows of resources changes: (364,513)

OPEB healthcare deferred outflows of resources, liability, and deferred inflows of resources changes: 125,794

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

Amount of long-term debt principal payments in the current year is: 7,816,046

In governmental funds interest payments and other debt costs on outstanding debt are reported as an expenditure when paid. In the statement of activities interest is reported as it accrues.

Amount of interest and other debt costs paid during the current period is	\$ 1,424,624	
Amount of interest and other debt costs accrued during the current period is	<u>(922,805)</u>	
Interest paid is greater than interest accrued by:		<u>501,819</u>

**Change in net position - governmental activities \$ 6,700,520**

The accompanying notes are an integral part of these statements.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**

**STATEMENT OF NET POSITION**

**FIDUCIARY FUND**

**JUNE 30, 2024**

	PENSION (OTHER EMPLOYEE BENEFIT) TRUST FUND
	<u>EMPLOYEE BENEFIT</u>
<b>ASSETS</b>	
Cash and investments	\$ 5,373,111
<b>TOTAL ASSETS</b>	<u><b>5,373,111</b></u>
<b>LIABILITIES</b>	
Due to other funds	-
<b>TOTAL LIABILITIES</b>	<u><b>-</b></u>
<b>NET POSITION</b>	
Restricted for	
Postemployment benefits other than pensions	5,373,111
<b>TOTAL NET POSITION</b>	<u><b>5,373,111</b></u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u><b>\$ 5,373,111</b></u>

The accompanying notes are an integral part of these statements.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
**SCHEDULE OF CHANGES IN NET POSITION**  
**FIDUCIARY FUND**  
**YEAR ENDED JUNE 30, 2024**

	PENSION (OTHER EMPLOYEE BENEFIT) TRUST FUND
	<u>EMPLOYEE BENEFIT</u>
ADDITIONS	
Investment income	\$ 133,569
Contributions	<u>2,192,238</u>
TOTAL ADDITIONS	<u>2,325,807</u>
DEDUCTIONS	
Disbursements	<u>1,451,001</u>
TOTAL DEDUCTIONS	<u>1,451,001</u>
CHANGE IN NET POSITION	874,806
NET POSITION - BEGINNING OF THE YEAR	<u>4,498,305</u>
<b>NET POSITION - END OF THE YEAR</b>	<b><u>\$ 5,373,111</u></b>

The accompanying notes are an integral part of these statements.

**WISCONSIN RAPIDS PUBLIC SCHOOLS  
WISCONSIN RAPIDS, WISCONSIN**

**NOTES TO THE BASIC  
FINANCIAL STATEMENTS**

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 - Summary of Significant Accounting Policies**

The financial statements of Wisconsin Rapids Public Schools (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America 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.

**Reporting Entity** - The Wisconsin Rapids Public Schools is organized as a unified school district. The District, governed by a seven member elected school board, operates grades 4K through 12 and is comprised of all or parts of fifteen taxing districts.

The District's basic financial statements do not include any component units, as defined in GASB 14 and amended by GASB 39 and GASB 61, as there are no organizations which meet the criterion. The criterion for including a legally separate organization as a component unit is the degree of financial accountability the District has with the organization. A financial benefit or burden relationship needs to be present between the primary government and that organization for it to be included in the reporting entity as a component unit.

The following circumstances set forth the District's financial accountability for a legally separate organization: the District is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the District. The District may be financially accountable if an organization is fiscally dependent on the District regardless of whether the organization has (1) a separately-elected governing body, (2) a governing body appointed by a higher level of government, or (3) a jointly-appointed governing body. In addition, the primary government may determine, through exercise of management's professional judgment, that the inclusion of an organization that does not meet the financial accountability criteria is necessary in order to prevent the reporting entity's financial statements from being misleading.

**Basis of Presentation**

**District-Wide Statements**

The statement of net position and the statement of activities present financial information about the District's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

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

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 1 - Summary of Significant Accounting Policies - Continued**

Fund Financial Statements

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

The District reports the following major governmental funds:

General Fund - is used for all financial activity that is not required to be accounted for in another fund. This is the District's primary operating fund.

Non-Referendum Debt Service Fund - is used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest.

Referendum Approved Debt Service Fund - is used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

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

The District has one fiduciary fund which accounts for an employee benefit trust.

**Measurement Focus and Basis of Accounting**

The district-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 1 - Summary of Significant Accounting Policies - Continued**

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

The fiduciary fund(s) are reported using the economic resources measurement focus and the accrual basis of accounting.

**Cash and Investments** - The District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. All funds share common (pooled) checking and investment accounts unless regulations require separate investment accounts, such as the debt service fund.

Investments are stated at fair value, if applicable, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average investment balances.

**Property Tax Levy** - Under Wisconsin law, personal property taxes and first and second installments of real estate taxes are collected by municipal treasurers who then make proportional settlement with the District and county treasurer for those taxes collected on their behalf. Third installment real estate taxes and delinquent taxes are collected by the county treasurer who then makes settlement with the city, town, village, and the Districts before retaining any for county purposes. Taxes collected by the township are made in two installments, the first by the town, and the second by the county treasurer.

The District's property taxes are levied on or before November 1 on the equalized property valuation certified by the Department of Revenue. As permitted by a collecting municipality's ordinance, taxes may be paid in full or two or more installments with the first installment payable the subsequent January 31, and a final payment no later than the following July 31. The District is paid by the collecting municipality its proportionate share of tax collections received through the last day of the preceding month on or before January 15, and by the 20 of each subsequent month thereafter. On or before August 20, the county treasurer makes full settlement to the District for any remaining balance. The county assumes all responsibility for delinquent real property taxes.

Property taxes are recognized as revenue in the period for which the taxes are levied. The 2023 tax levy is used to finance operations of the District's fiscal year ended June 30, 2024. All property taxes are considered due on January 1, when an enforceable lien is assessed against the property and the taxpayer is liable for the taxes. All taxes are collected within 60 days of June 30 and are available to pay current liabilities.

**Accounts Receivable** - Accounts receivable are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 1 - Summary of Significant Accounting Policies - Continued**

**Due To/From Other Funds** - During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as due to and from other funds. The amounts reported on the statement of net position for receivable/payable from external parties represents amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for amounts due to and due from within the same fund type.

**Interfund Transactions** - Non-exchange transactions which are not borrowing/lending (will not be repaid) are recorded as transfers, and exchange transactions are recorded as revenues and expenses.

**Capital Assets** - Capital assets are reported at actual cost or estimated historical costs, based on appraisals conducted by an independent third-party professional appraisal firm. Donated assets are reported at estimated acquisition value at the date of donation.

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

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Land improvements	\$ 5,000	Straight-line	10-15 years
Buildings	\$ 5,000	Straight-line	45 years
Building improvements	\$ 5,000	Straight-line	15-20 years
Machinery and equipment	\$ 5,000	Straight-line	5-15 years

**Subscription-Based Information Technology Arrangements (SBITA)** - The SBITA liability is measured using the present value of payments to be made during the subscription term. The corresponding intangible right-to-use capital asset is amortized over the shorter of the term or the useful life.

**Debt Premiums and Discounts** - In the government-wide financial statements, debt premiums and discounts are amortized over the life of the debt. Long-term debt is reported net of the applicable debt premium or discount.

In the fund financial statements, premiums and discounts are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses.

**Compensated Absences** - The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 1 - Summary of Significant Accounting Policies - Continued**

employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the unpaid compensated absences are not expected to be paid using expendable available resources and, therefore, the liability is not reported.

**Pensions** - The fiduciary net position of the Wisconsin Retirement System (WRS) has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the net pension liability (assets), deferred outflows or resources and deferred inflows of resources related to pensions, and pension expense (revenue). Information about the fiduciary net position of the WRS and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Other Post-Employment Benefits (OPEB)** - 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 (asset), deferred outflows of resources, and deferred inflows of resources related to other post-employment benefits, OPEB expense (revenue), and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs 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.

**Deferred Outflows and Inflows of Resources** - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expenditure) until then. The District has three items that qualify for reporting in this category. They are the Wisconsin Retirement System pension, Wisconsin Retirement System local retiree life insurance fund (LRLIF), and OPEB healthcare reported in the government-wide statement of net position. The Wisconsin Retirement System pension, Wisconsin Retirement System LRLIF, and OPEB healthcare result from changes in their actuarial studies and are amortized over the average of the expected remaining service lives of participants.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position which applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. The District has four types of items, Wisconsin Retirement System pension, Wisconsin Retirement System LRLIF, OPEB healthcare, and leases which qualify for reporting in this category. The Wisconsin Retirement System pension, Wisconsin Retirement System LRLIF, and OPEB healthcare result from changes in their actuarial studies and are amortized over the average of the expected remaining service lives of participants. Unavailable revenue and lease amounts are deferred and recognized as an inflow of resources in the period they become available.

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

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 1 - Summary of Significant Accounting Policies - Continued**

**Net Position Classifications** - Net position represents the difference between the total assets and deferred outflows of resources and the total liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement for those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**Fund Balance Classifications** - The District classifies its fund equity as follows: 1) nonspendable fund balance consists of equity not in a spendable form or is legally or contractually required to be maintained intact, 2) restricted fund balance consists of equity constrained to specific purposes by their providers, externally imposed by creditors, constitutional provisions or by enabling legislation, 3) committed fund balance consists of equity constrained to specific purposes by the District itself, using its highest level of decision making authority - Board of Education policies, 4) assigned fund balance consists of equity the governing body intends to use for a specific purpose, intent can be expressed by the governing body. The Board of Education has authorized the Director of Business Services to assign fund balances through its financial management policy and 5) unassigned fund balance consists of equity available for any purpose.

When net losses occur, it is the District's policy to record the net loss against unassigned fund balance, then assigned fund balance, then committed fund balance and lastly to restricted fund balance. The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

**NOTE 2 - Cash and Investments**

State statutes permit the District to invest available cash balances, other than debt service funds, in time deposits of authorized depositories, state obligations, U.S. Treasury obligations, U.S. agency issues, repurchase agreements and other investments secured by federal securities, high grade commercial paper, and the local government investment pool administered by the state investment board. Available balances in the debt service fund may be invested in municipal obligations, obligations of the United States and the local government pooled-investment fund. No significant violations of these restrictions occurred during the year.

As of June 30, 2024, the District had the following investments:

<u>Investment</u>	<u>Weighted Average Maturities</u>	<u>Fair Value</u>
State of Wisconsin Investment Pool	Less than one year	\$17,374,391
Wisconsin Investment Series Cooperative	Less than one year	9,156,385
First Bank	Less than one year	<u>4,862,596</u>
		<u><b>\$31,393,372</b></u>

**Investment Pool Information** - Participation in the State of Wisconsin Local Government Investment Pool is voluntary. The Pool's regulatory oversight is provided by state statutes and its investment board. The fair value of the District's position in the Pool is the same as the value of the Pool shares. At June 30, 2024, the Pool's fair value was 100 percent of book value.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 2 - Cash and Investments - Continued**

**Determining Fair Value** - The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets; level 2 inputs are significant other observable inputs; level 3 inputs are significant unobservable inputs. The District has the following recurring fair value measurement:

- 1) State of Wisconsin Local Government Investment Pool fair value is determined monthly by the Pool's investment board based on published market quotations (level 2 inputs).
- 2) Wisconsin Investment Series Cooperative and First Bank are based on published market quotations (level 1 inputs).

**Income Allocation** - Interest income is generally allocated to the fund that owns the certificate of deposit, money market account, savings account, and investment.

**Interest Rate Risk** - State statutes limit investments in commercial paper, corporate bonds, and mutual bond funds to mature or may be tendered for purchase at the option of the holder within not more than 7 years of the date acquired. The District has a formal investment policy that further limits investment maturities as a means of further managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk** - State statutes limit investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The District has an investment policy that further limits its investment choices. The State of Wisconsin Local Government Investment Pool and Wisconsin Investment Series Cooperative are not rated.

**Custodial Credit Risk - Deposits** - Custodial credit is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy in place for custodial credit risk. The State of Wisconsin's Public Deposit Guarantee Fund created under Chapter 34 of the Wisconsin Statutes protects the municipality's designated public depositories against any losses of public funds up to \$1,000,000 subject to the total amount of the Guarantee Fund available. As of June 30, 2024, \$1,788,934 of the District's bank balance of \$12,467,493 was exposed to custodial credit risk as uninsured collateral pledged by the bank in the District's name. \$8,765,892 was uninsured and uncollateralized.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 3 - Capital Assets**

Capital asset balances and activity for the year ended June 30, 2024 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 282,908	\$ -	\$ -	\$ 282,908
Construction in progress	34,717,151	1,505,092	(33,901,712)	2,320,531
Total capital assets not being depreciated	<u>35,000,059</u>	<u>1,505,092</u>	<u>(33,901,712)</u>	<u>2,603,439</u>
Capital assets being depreciated:				
Land improvements	2,854,628	-	-	2,854,628
Buildings and improvements	142,038,660	34,105,153	(8,630)	176,135,183
Equipment	18,732,373	1,093,728	(370,779)	19,455,322
Total capital assets being depreciated	<u>163,625,661</u>	<u>35,198,881</u>	<u>(379,409)</u>	<u>198,445,133</u>
Less accumulated depreciation for:				
Land improvements	(2,702,289)	(19,125)	-	(2,721,414)
Buildings and improvements	(69,677,882)	(3,147,789)	8,630	(72,817,041)
Equipment	(6,023,698)	(1,516,485)	366,193	(7,173,990)
Total accumulated depreciation	<u>(78,403,869)</u>	<u>(4,683,399)</u>	<u>374,823</u>	<u>(82,712,445)</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>85,221,792</u>	<u>30,515,482</u>	<u>(4,586)</u>	<u>115,732,688</u>
Capital assets, net of accumulated depreciation	<u>\$ 120,221,851</u>	<u>\$ 32,020,574</u>	<u>\$ (33,906,298)</u>	<u>\$ 118,336,127</u>

Depreciation expense was charged to governmental functions as follows:

Regular instruction	\$ 367,938
Vocational instruction	16,938
Special education instruction	3,130
Instructional staff services	65,655
General administration services	21,071
Building administration services	544
Business services	4,183,100
Central services	15,462
Community services	9,561
	<u>\$ 4,683,399</u>

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 3 - Capital Assets - Continued**

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets being amortized:				
SBITA asset	\$ 616,756	\$ -	\$ (126,622)	\$ 490,134
Total capital assets being amortized	<u>616,756</u>	<u>-</u>	<u>(126,622)</u>	<u>490,134</u>
Less accumulated amortization for:				
SBITA asset	<u>(166,032)</u>	<u>(166,032)</u>	<u>126,622</u>	<u>(205,442)</u>
Total accumulated amortization	<u>(166,032)</u>	<u>(166,032)</u>	<u>126,622</u>	<u>(205,442)</u>
Total capital assets being amortized, net of accumulated amortization	<u>450,724</u>	<u>(166,032)</u>	<u>-</u>	<u>284,692</u>
Capital assets, net of accumulated amortization	<u>\$ 450,724</u>	<u>\$ (166,032)</u>	<u>\$ -</u>	<u>\$ 284,692</u>

The District leases copiers, computers, and contracts with various vendors for the right to use their software. Amortization expense was charged to the following:

Regular instruction	\$ 166,032
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**NOTE 4 - Long-Term Liabilities**

Long-term obligations are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Bonds payable	\$ 35,280,000	\$ -	\$ (7,435,000)	\$ 27,845,000	\$ 3,100,000
Leases - direct placement	138,250	288,028	(205,262)	221,016	47,849
SBITAs	350,494	-	(175,784)	174,710	174,710
Premium	3,053,384	-	(425,982)	2,627,402	391,601
Vested vacation pay	132,906	136,655	(132,906)	136,655	136,655
Wisconsin Retirement System					
Net pension liability	10,775,193	-	(7,802,591)	2,972,602	-
LRLIF	4,617,521	830,965	-	5,448,486	-
OPEB healthcare	<u>17,330,434</u>	<u>2,687,902</u>	<u>(2,346,074)</u>	<u>17,672,262</u>	<u>1,761,589</u>
Total	<u>\$ 71,678,182</u>	<u>\$ 3,943,550</u>	<u>\$ (18,523,599)</u>	<u>\$ 57,098,133</u>	<u>\$ 5,612,404</u>

In prior years, the general and food service funds liquidated vested employee benefits. Interest cost incurred during the year totaled \$907,475 and total interest paid during the year aggregated \$1,409,294 including \$2,226 for capital leases.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 4 - Long-Term Liabilities - Continued**

**General Obligation Debt** - All general obligation debt is secured by the full faith and credit and unlimited taxing powers of the District. The general obligation debt is expected to be repaid with general property taxes. General obligation debt at June 30, 2024 is comprised of the following individual issues:

<u>Issue Description</u>	<u>Issue Dates</u>	<u>Interest Rates (%)</u>	<u>Dates of Maturity</u>	<u>Balance</u>
Bonds	11/18/20	3-5%	4/1/27	\$ 7,095,000
Bonds	8/2/21	1.6-5%	4/1/41	<u>20,750,000</u>
Total				<u>\$ 27,845,000</u>

**General Obligation Debt Limit Calculation** - The 2024 equalized valuation of the District as certified by the Wisconsin Department of Revenue is \$3,366,525,088. The legal debt limit and margin of indebtedness as of June 30, 2024, in accordance with Section 67.03(1)(b) of the Wisconsin Statutes, follows:

Debt limit (10 percent of \$3,366,525,088)	\$ 336,652,509
Amount available in debt service fund	325,148
Deduct long-term debt	
applicable to debt margin	<u>(27,845,000)</u>
Margin of indebtedness	<u>\$ 309,132,657</u>

**Maturities of Long-Term Obligations** - Aggregate cash flow requirements for the retirement of long-term debt principal and interest are as follows:

Year Ending	Bonds		Leases - Direct Placement		Total
	Principal	Interest	Principal	Interest	
June 30					
2025	\$ 3,100,000	\$ 867,520	\$ 47,849	\$ 21,388	\$ 4,036,757
2026	3,110,000	712,520	52,480	16,758	3,891,758
2027	3,235,000	557,020	57,558	11,679	3,861,257
2028	750,000	395,270	63,129	6,109	1,214,508
2029	750,000	357,770	-	-	1,107,770
2030-2034	7,815,000	1,427,690	-	-	9,242,690
2035-2039	<u>9,085,000</u>	<u>486,100</u>	<u>-</u>	<u>-</u>	<u>9,571,100</u>
	<u>\$ 27,845,000</u>	<u>\$ 4,803,890</u>	<u>\$ 221,016</u>	<u>\$ 55,934</u>	<u>\$ 32,925,840</u>

**Cash Defeasance** - The District defeased \$4,020,000 of outstanding 2022 refunding bonds by depositing \$4,245,468 with an escrow agent to reduce future debt service payments. The transaction resulted in an economic gain of \$414,602 and a reduction of \$4,610,875 in future debt service payments.

**Defeased Debt** - In the prior years, the District defeased general obligation debt by placing funds in an irrevocable trust account for all future debt service payments of the old debt. Accordingly, the trust account assets and the liability for the defeased debt are not included in the District's financial statements. In the current year, the District defeased general obligation debt of \$4,020,000. At June 30, 2024, \$10,330,000 of defeased debt remains outstanding.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 5 - Wisconsin Retirement System**

**General Information about the Pension Plan**

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

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

Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

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

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

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

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

The WRS also provides death and disability benefits for employees.

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

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 5 - Wisconsin Retirement System - Continued**

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
2014	4.7	25
2015	2.9	2
2016	.5	(5)
2017	2	4
2018	2.4	17
2019	-	(10)
2020	1.7	21
2021	5.1	13
2022	7.4	15
2023	1.6	(21)

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

During the reporting period, the WRS recognized \$2,626,450 in contributions from the employer.

Contribution rates as of June 30, 2024 are:

Employee Category	Employee	Employer
General (including teachers, executives, and elected officials)	6.80%	6.80%
Protective with Social Security	6.80%	13.20%
Protective without Social Security	6.80%	18.10%

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

At June 30, 2024, the District reported a liability (asset) of \$2,972,602 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability (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, 2023, the District's proportion was .19993211%, which was a decrease of .00346155% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized pension expense (revenue) of \$2,055,714.

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 5 - Wisconsin Retirement System - Continued**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 11,985,505	\$ 15,874,874
Net differences between projected and actual earnings on pension plan investments	10,359,037	-
Changes in assumptions	1,295,672	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	45,121	15,890
Employer contributions subsequent to the measurement date	1,561,899	-
Total	\$ 25,247,234	\$ 15,890,764

\$1,561,899 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense (revenue) as follows:

Year ending June 30	Deferred Outflows and (Inflows) of Resources
2025	\$ 1,600,746
2026	1,684,414
2027	6,505,676
2028	(1,996,265)
Thereafter	-

**Actuarial Assumptions** - The total pension liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2022
Measurement Date of Net Pension Liability (Asset):	December 31, 2023
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3%
Seniority/Merit	.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Post-retirement Adjustments:*	1.7%

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 5 - Wisconsin Retirement System - Continued**

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

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The total pension liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the December 31, 2022 actuarial valuation.

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

Asset Allocation Targets and Expected Returns  
As of December 31, 2023

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Public Equity	40	7.3	4.5
Public Fixed Income	27	5.8	3
Inflation Sensitive Assets	19	4.4	1.7
Real Estate	8	5.8	3
Private Equity/Debt	18	9.6	6.7
Leverage	(12)	3.7	1
Total Core Fund	100	7.4	4.6
Variable Fund Asset Class			
U.S. Equities	70	6.8	4
International Equities	30	7.6	4.8
Total Variable Fund	100	7.3	4.5

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

New England Pension Consultants Long-Term US CPI (Inflation) Forecast 2.7%.

The investment policy used for the Core fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. Currently, an asset allocation target of 12% policy leverage is used, subject to an allowable range of up to 20%.

**Single Discount Rate** - A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 3.77% (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, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 5 - Wisconsin Retirement System - Continued**

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

**Sensitivity of the District's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate** - The following presents the District's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.8 percent, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (5.8 percent) or 1-percentage point higher (7.8 percent) than the current rate:

	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase to Discount Rate (7.8%)
District's proportionate share of the net pension liability (asset)	\$ 28,731,640	\$ 2,972,602	\$ (15,052,085)

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

**Payables to the Pension Plan** - The District reported a payable of \$793,148 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2024.

**NOTE 6 - Wisconsin Retirement System Local Retirement Life Insurance Fund**

**General Information about the Other Post-Employment Benefits**

**Plan Description** - The LRLIF is a 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 post-employment life insurance benefits for all eligible employees.

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

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can also be found using the link above.

**Benefits Provided** - The LRLIF plan provides fully paid life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for 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,

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 6 - Wisconsin Retirement System Local Retirement Life Insurance Fund - Continued**

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 post-retirement benefit.

Employers are required to pay the following contributions based on employee 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 employee premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of June 30, 2024 are:

Coverage Type	Employer Contribution
50% post retirement coverage	40% of employee contribution
25% post retirement coverage	20% of employee contribution

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 employee contribution rates in effect for the year ended December 31, 2023 are as listed below:

Attained Age	Basic	Supplemental
Under 30	\$.05	\$.05
30-34	.06	.06
35-39	.07	.07
40-44	.08	.08
45-49	.12	.12
50-54	.22	.22
55-59	.39	.39
60-64	.49	.49
65-69	.57	.57
*Disabled members under age 70 receive a waiver-of-premium benefit.		

During the reporting period, the LRLIF recognized \$24,102 in contributions from the employer.

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

At June 30, 2024, the District reported a liability (asset) of \$5,448,486 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2023 rolled forward to December 31, 2023. 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 OPEB liability (asset) was based on the District's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2023, the District's proportion was 1.184285%, which was an decrease of .027718% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized OPEB expense (revenue) of \$453,811.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 6 - Wisconsin Retirement System Local Retirement Life Insurance Fund - Continued**

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 482,207
Net differences between projected and actual earnings on OPEB plan investments	73,607	-
Changes in assumptions	1,704,333	2,145,497
Changes in proportion and differences between employer contributions and proportionate share of contributions	122,091	200,624
Employer contributions subsequent to the measurement date	12,174	-
Total	\$ 1,912,205	\$ 2,828,328

\$12,174 was reported as deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (revenue) as follows:

Year Ending June 30	Deferred Outflows and (Inflows) of Resources
2025	\$ (69,889)
2026	16,788
2027	(190,406)
2028	(366,557)
Thereafter	(318,233)

**Actuarial Assumptions** - The total OPEB liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2023
Measurement Date of Net OPEB Liability (Asset):	December 31, 2023
WRS Experience Study:	January 1, 2018-December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax Exempt Municipal Bond Yield*:	3.26%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.32%
Salary Increases:	
Wage Inflation	3%
Seniority/Merit	.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

\*Based on the Bond Buyer GO 20-Bond Municipal index.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 6 - Wisconsin Retirement System Local Retirement Life Insurance Fund - Continued**

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The total OPEB liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the January 1, 2023 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.

Local OPEB Life Insurance  
Asset Allocation Targets and Expected Returns  
As of December 31, 2023

Asset Class	Index	Target Allocation %	Long-Term Expected Geometric Real Rate of Return %
US Intermediate Credit Bonds	Bloomberg US Intern Credit	40	2.32
US Mortgages	Bloomberg US MBS	60	2.52
Inflation			2.3
Long-term Expected Rate of Return			4.25

**Single Discount Rate** - A single discount rate of 3.32% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 3.76% for the prior year. The change in the discount rate was primarily caused by the increase in the municipal bond rate from 3.72% as of December 31, 2022 to 3.26% as of December 31, 2023. 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 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 payments 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.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 6 - Wisconsin Retirement System Local Retirement Life Insurance Fund - Continued**

**Sensitivity of the District's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate** - The following presents the District's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 3.32 percent, as well as what the District's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.32 percent) or 1-percentage-point higher (4.32 percent) than the current rate:

	1% Decrease to Discount Rate (2.32%)	Current Discount Rate (3.32%)	1% Increase to Discount Rate (4.32%)
District's proportionate share of the net OPEB liability (asset)	\$ 7,320,800	\$ 5,448,486	\$ 4,019,304

**Payables to the Pension Plan** - The District reported a payable of zero for the outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2024.

**NOTE 7 - Interfund Balance and Activity**

Interfund receivable and payable balances on June 30, 2024, are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Indian education	\$ 14,928

The above balances resulted from the timing differences between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. All amounts are due within one year. For the statement of net position, interfund balances which are owed within the governmental activities are netted and eliminated.

Interfund transfers at June 30, 2024 were as follows:

<u>Transfer from</u>	<u>Transfer to</u>	<u>Amount</u>
General	Long-term capital improvement	\$ 829,186

Generally, transfers are used to move revenue from the fund that collects them to the fund that the budget requires to expend them and use unrestricted revenue collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**NOTE 8 - Post Employment Benefits Other Than Pensions**

**General Information about the Post Employment Benefits Other Than Pensions**

**Plan Description** - The other post employment benefits (OPEB) other than pensions is a single-employer defined benefit OPEB plan. Benefit terms are established by employee handbooks and may be modified by the Board of Education. The plan is administered by the District and included in the District's financial statements.

**Benefits Provided** - Administrators at least age 57 with 15 years of service in the District will receive contributions towards their medical premiums until Medicare eligibility. Contributions will be equal to 90% of the premiums until the age of 60. After age 60, contributions will be equal to 100% of the

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 8 - Post Employment Benefits Other Than Pensions - Continued**

premiums. Retirees will receive contributions towards their life insurance premiums until Medicare eligibility. Contributions will be equal to 100% of the premiums.

Non-union clerical and nurses at least age 57 with 15 years of service will receive contributions towards their medical premiums until Medicare eligibility. Contributions will be equal to 85% for single or 70% for family premiums until the age of 60. After age 60, contributions will be equal to 85% of single or family premiums.

Psychologists at least age 57 with 15 years of service and age 52 as of July 1, 2007 will receive contributions towards their medical premiums until Medicare eligibility. Contributions will be equal to 85% for single or 70% for family premiums until the age of 60. After age 60, contributions will be equal to 85% of single or family premiums.

Teachers retired prior to the 2012-2013 school year at least age 57 with 15 years of service will receive contributions towards their medical premiums until Medicare eligibility. Contributions will be equal to 85% for single or 70% for family premiums until the age of 60. After age 60, contributions will be equal to 85% of single or family premiums.

Teachers retired after the 2012-2013 school year at least age 57 with 15 years of service will receive contributions towards their medical premiums until Medicare eligibility. Contributions will be equal to 85% of premiums in effect at the time of retirement.

Teachers who retire prior to age 57 with 15 years of service may receive medical benefits. Retirees will pay 100% of the premiums until age 57. After age 57, the retirees will receive contributions towards their medical premiums of 100%.

**Employees Covered** - As of the June 30, 2023 measurement date, the following employees were covered by the benefit terms. The plan is not closed to new entrants.

Inactive employees or beneficiaries currently receiving benefits	62
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>784</u>
Total	<u>846</u>

**Contributions** - The Board of Education has the authority to establish the contribution requirements for the plan. The Board establishes contribution rates based on premiums and an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the unfunded accrued liability. For the year ended June 30, 2024, contribution rates for Plan members were \$131 - \$344 per participant per month and \$742 - \$1,942 from the District, depending on the type of retiree plan. Plan members receiving benefits contributed \$176,339 and the District contributed \$1,761,589 to the plan.

**Actuarial Assumptions** - The net OPEB healthcare liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 8 - Post Employment Benefits Other Than Pensions - Continued**

Actuarial Valuation Date:	June 30, 2023
Measurement Date:	June 30, 2023
Actuarial Cost Method:	Entry Age Normal - Level %
Amortization Period:	15 years
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	5%
Discount Rate:	4.25%
Salary Increases:	3%
Mortality:	2020 WRS Experience Tables
Medical Care Cost Trend:	7% decreasing to 6.50%, then decreasing by 0.1% per year to 4.50%, and level thereafter

The actuarial valuation was based upon the data provided by the District and utilized the premium rate history of the District's medical plans as well as the trends used in the prior valuation and projected a stream of expected premium rates for each year in the future based on the data as of June 30, 2021.

Actuarial assumptions are based upon an experience study conducted in 2021 using Wisconsin Retirement System experience from 2018 - 2020.

**Long-Term Expected Return on Plan Assets** - The long-term expected rate of return on plan investments was determined by expected future real rates of return (expected returns, net of plan investment expense and inflation) developed for each major asset class. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-Term Real Rate of Return	Target Allocation
Equities	57.86%	50%
Fixed Income	38.01%	40%
Real Assets	3.48%	6%
Cash & Equivalents	.65%	4%

**Discount Rate** - A discount rate of 4.25% was used to measure the total OPEB healthcare liability. This discount rate was based on a 20 year municipal bond rate. The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total OPEB healthcare liability. The discount rate incorporated a 20 year AA municipal bond rate (4.25%).

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 8 - Post Employment Benefits Other Than Pensions - Continued**

**Changes in the Net OPEB Healthcare Liability**

	Increase (Decrease)		
	Total OPEB Healthcare Liability (a)	Fiduciary Net Position (b)	Net OPEB Healthcare Liability (a) - (b)
Beginning balance	\$ 20,381,517	\$ 3,051,083	\$ 17,330,434
Changes for the year:			
Service cost	1,008,974	-	1,008,974
Interest	1,017,501	-	1,017,501
Differences between expected and actual experience	(924,923)	-	(924,923)
Changes of assumptions or other input	1,759,475	-	1,759,475
Contributions - employer	-	2,346,074	(2,346,074)
Net investment income	-	173,125	(173,125)
Benefit payments	(1,071,977)	(1,071,977)	-
Net changes	1,789,050	1,447,222	341,828
Ending balance	\$ 22,170,567	\$ 4,498,305	\$ 17,672,262

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

The following presents the net OPEB healthcare liability calculated using the healthcare cost trend rate of 7 percent decreasing to 4.5 percent, as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (6 percent decreasing to 3.5 percent) or 1-percentage-point higher (8 percent decreasing to 5.5 percent) than the current rate:

	1% Decrease to Healthcare Cost Rate (6% decreasing to 3.5%)	Current Healthcare Cost Rate (7% decreasing to 4.5%)	1% Increase to Healthcare Cost Rate (8% decreasing to 5.5%)
Net OPEB healthcare liability	\$ 16,059,319	\$ 17,672,262	\$ 19,522,359

**Sensitivity of the Net OPEB Healthcare Liability to Changes in the Discount Rate -** The following presents the net OPEB healthcare liability calculated using the discount rate of 4.25 percent, as well as what the net OPEB healthcare liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.25 percent) or 1-percentage-point higher (5.25 percent) than the current rate:

	1% Decrease to Discount Rate (3.25%)	Current Discount Rate (4.25%)	1% Increase to Discount Rate (5.25%)
Net OPEB healthcare liability	\$ 19,136,201	\$ 17,672,262	\$ 16,275,789

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

For the year ended June 30, 2024, the District recognized OPEB healthcare expense (revenue) of \$1,635,795.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 8 - Post Employment Benefits Other Than Pensions - Continued**

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB healthcare from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 54,688	\$ 3,213,178
Net differences between projected and actual earnings on pension plan investments	339,253	-
Changes in assumptions	3,323,775	3,304,666
Employer contributions subsequent to the measurement date	1,761,589	-
Total	\$ 5,479,305	\$ 6,517,844

\$1,761,589 reported as deferred outflows related to OPEB healthcare resulting from contributions subsequent to the measurement date will be recognized as a reduction on the net OPEB healthcare liability (asset) in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB healthcare will be recognized in expense (revenue) as follows:

Year ending June 30	Deferred Outflows and (Inflows) of Resources
2025	\$ (215,338)
2026	(229,761)
2027	(236,232)
2028	(337,144)
2029	(338,248)
Thereafter	(1,443,405)

**Payables to the OPEB Healthcare Plan** - The District reported a payable of zero for the outstanding amount of contributions to the OPEB Healthcare plan required for the year ended June 30, 2024.

**NOTE 9 - Fund Balance and Net Position**

Portions of fund balances and net position are not available for current appropriation or expenditure as follows:

<u>Governmental Fund</u>	<u>Purpose</u>	<u>Amount</u>
Restricted		
Non-Referendum approved debt service	Principal and interest	\$ 182,375
Referendum approved debt service	Principal and interest	\$ 325,148
Food service	DPI regulation	\$ 1,277,967
Long-term capital improvement trust	DPI regulation	\$ 5,858,791
Other capital projects	DPI regulation	\$ 3,016,035

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 9 - Fund Balance and Net Position - Continued**

Committed			
General	Specific expenses	\$	18,458,298
Special revenue trust	Specific expenses	\$	131,708
Special revenue trust student activity	Specific expenses	\$	967,762
Assigned			
Community service	Specific expenses	\$	1,632,772
<u>Governmental Activities</u>			
Restricted			
Special revenue	Donor specific expenses and DPI regulation	\$	1,277,967
Debt service	Principal and interest	\$	507,523
Capital projects	DPI regulation	\$	8,874,826

**NOTE 10 - Risk Management**

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters. For all risks of loss, the District's policy is to purchase commercial insurance. Settled claims have not exceeded commercial coverage in any of the past three years and there have been no significant reduction in insurance coverage from coverage in the prior year.

**NOTE 11 - Commitments and Contingencies**

The District has a service agreement with Cooperative Education Service Agency #5 for services to be provided to the District in 2024-2025. Expected local district net costs are \$517,696.

The District has transportation agreements through 2024. Rates are negotiated in June each year for the next fiscal year. It is expected that the cost for 2024-2025 will exceed \$3,035,848.

The District is aware some older buildings contain some level of asbestos in which they will incur removal costs upon remodeling, selling or abandoning these buildings at some future date. However, at this point, the District does not feel they have enough information to reasonably estimate the fair value of the asset retirement obligation and have not recorded a liability.

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

**NOTE 12 - Limitation of School District Revenue**

Wisconsin statutes limit the amount of revenue school districts may derive from general school aids and property taxes. This limitation does not apply to revenue needed for the payment of any general obligation debt service (including refinanced debt) authorized by either of the following: (a) a resolution of the school board or by a referendum prior to August 12, 1993 and (b) a referendum on or after August 12, 1993.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 13 - Self-Funded Insurance**

Self-Insured Risk - The District's self-funded dental insurance is accounted for in the general fund, with appropriate charges to other funds as payroll is incurred in the other funds. Benefit maximums contained in the plan limit the District's total liability under the plan. An administrator processes claims filed and the District is liable for administrative expenses.

Claims Liabilities - The District records an estimated liability for health and dental care claims against the District. Claims liabilities are based on estimates of the ultimate cost of reported claims (including future claim adjustment expenses) and an estimate for claims incurred but not reported based on historical experience.

Unpaid Claims Liabilities - The following represent the changes in approximate aggregate liabilities for health and dental care for the current and prior year.

	Year Ended June 30, 2024	Year Ended June 30, 2023
Beginning liability balance	\$ 160,258	\$ 162,811
Claims and changes in estimates	561,078	531,138
Claim payments	(556,250)	(533,691)
Ending liability balance	<u>\$ 165,086</u>	<u>\$ 160,258</u>

Claim payments are principally funded through charges to employees, which are paid through payroll deductions, and employer contributions to the health and dental plan.

The District did not receive an actuarial certification for the self-insured dental plan related to the adequacy of reserves, rates, or financial soundness of the plan.

**NOTE 14 - Leases**

The District is a lessor for land that a communications tower sits on. One lessee pays a standard annual fee to the District of \$8,750 with 11% - 13% increases every 3 - 6 years. One lessee pays a standard annual fee to the District of \$8,400 for the first 5 years of the agreement, with an increase of 15% at the start of each 5 year extension. The agreements were signed on April 31, 2007 and June 30, 2003 with a lease commencement date of January 1, 2021, with an initial term of 5 years and then renewing every 5 years. The lessee has the option to terminate the agreement before each 5-year renewal. The District recognized \$16,687 of lease revenue and \$5,723 of interest revenue under the lease for the year ended June 30, 2024. The lease receivable and deferred inflows of resources related to the lease are \$119,153 and \$128,999, respectively, as of June 30, 2024.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued  
JUNE 30, 2024

**NOTE 15 - Change Within the Financial Reporting Entity**

The other capital projects fund changed from a major to a nonmajor fund.

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balance	
	Funds	Nonmajor
	Other	Governmental
	Capital Projects	Funds
June 30, 2023, as previously reported	\$ 3,022,923	\$ 4,929,769
Change from major to nonmajor	(3,022,923)	3,022,923
June 30, 2023, as restated	<u>\$ -</u>	<u>\$ 7,952,692</u>

**NOTE 16 - Prior Period Adjustment**

The District made a prior period adjustment to beginning net position in the District-wide governmental activities for \$9,846. The adjustment decreased the net position balance for amounts in lease receivable.

**WISCONSIN RAPIDS PUBLIC SCHOOLS  
WISCONSIN RAPIDS, WISCONSIN**

**REQUIRED  
SUPPLEMENTARY INFORMATION**

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
BUDGETARY COMPARISON SCHEDULE FOR THE GENERAL FUND  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2024

	ORIGINAL BUDGETED AMOUNTS			FINAL BUDGETED AMOUNTS			ACTUAL AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	GENERAL	SPECIAL EDUCATION	TOTAL	GENERAL	SPECIAL EDUCATION	TOTAL	GENERAL	SPECIAL EDUCATION	TOTAL	
<b>REVENUES</b>										
Property taxes	\$ 15,906,225	\$ -	\$ 15,906,225	\$ 15,906,225	\$ -	\$ 15,906,225	\$ 15,901,517	\$ -	\$ 15,901,517	\$ (4,708)
Other local sources	1,069,885	-	1,069,885	1,299,885	-	1,299,885	1,315,471	-	1,315,471	15,586
Interdistrict sources	1,698,468	60,000	1,758,468	1,698,468	60,000	1,758,468	1,696,476	62,026	1,758,502	34
Intermediate sources	319,889	-	319,889	319,889	-	319,889	375,208	-	375,208	55,319
State sources	48,540,483	3,891,042	52,431,525	48,742,273	3,891,042	52,633,315	48,730,674	3,803,083	52,533,757	(99,558)
Federal sources	5,937,346	1,765,746	7,703,092	5,948,480	1,798,056	7,746,536	5,013,599	1,928,598	6,942,197	(804,339)
Other sources	512,446	-	512,446	855,431	-	855,431	280,207	-	280,207	(575,224)
<b>TOTAL REVENUES</b>	<b>73,984,742</b>	<b>5,716,788</b>	<b>79,701,530</b>	<b>74,770,651</b>	<b>5,749,098</b>	<b>80,519,749</b>	<b>73,313,152</b>	<b>5,793,707</b>	<b>79,106,859</b>	<b>(1,412,890)</b>
<b>EXPENDITURES</b>										
Current										
Instruction										
Regular instruction	25,856,652	-	25,856,652	25,512,477	-	25,512,477	24,492,942	-	24,492,942	1,019,535
Vocational instruction	1,863,940	-	1,863,940	1,890,950	-	1,890,950	1,831,923	-	1,831,923	59,027
Special instruction	-	10,079,706	10,079,706	-	10,343,076	10,343,076	-	10,240,978	10,240,978	102,098
Other instruction	3,551,536	-	3,551,536	3,441,908	-	3,441,908	3,260,461	-	3,260,461	181,447
Total instruction	31,272,128	10,079,706	41,351,834	30,845,335	10,343,076	41,188,411	29,585,326	10,240,978	39,826,304	1,362,107
Support services										
Pupil services	4,191,096	1,868,056	6,059,152	4,234,559	1,890,731	6,125,290	3,769,168	1,872,792	5,641,960	483,330
Instructional staff services	4,531,011	474,501	5,005,512	5,010,838	506,091	5,516,929	3,937,395	495,392	4,432,787	1,084,142
General administration services	921,916	-	921,916	920,166	-	920,166	964,487	-	964,487	(44,321)
Building administration services	3,218,934	-	3,218,934	3,212,552	-	3,212,552	3,232,104	-	3,232,104	(19,552)
Business services	10,147,103	704,188	10,851,291	10,210,711	714,263	10,924,974	10,127,305	678,302	10,805,607	119,367
Central services	372,362	7,125	379,487	425,298	11,725	437,023	391,311	9,788	401,099	35,924
Insurance	393,500	-	393,500	393,500	-	393,500	383,901	-	383,901	9,599
Other support services	2,153,044	-	2,153,044	1,976,617	-	1,976,617	1,878,001	-	1,878,001	98,616
Total support services	25,928,966	3,053,870	28,982,836	26,384,241	3,122,810	29,507,051	24,683,672	3,056,274	27,739,946	1,767,105
Non-program transactions	8,209,908	323,317	8,533,225	8,233,808	323,317	8,557,125	8,145,234	403,302	8,548,536	8,589
Debt service										
Principal	58,100	-	58,100	205,262	-	205,262	381,046	-	381,046	(175,784)
Interest	15,000	-	15,000	15,000	-	15,000	16,506	-	16,506	(1,506)
Total debt service	73,100	-	73,100	220,262	-	220,262	397,552	-	397,552	(177,290)
Capital outlay	622,340	26,495	648,835	886,733	26,495	913,228	693,984	26,495	720,479	192,749
<b>TOTAL EXPENDITURES</b>	<b>66,106,442</b>	<b>13,483,388</b>	<b>79,589,830</b>	<b>66,570,379</b>	<b>13,815,698</b>	<b>80,386,077</b>	<b>63,505,768</b>	<b>13,727,049</b>	<b>77,232,817</b>	<b>3,153,260</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>7,878,300</b>	<b>(7,766,600)</b>	<b>111,700</b>	<b>8,200,272</b>	<b>(8,066,600)</b>	<b>133,672</b>	<b>9,807,384</b>	<b>(7,933,342)</b>	<b>1,874,042</b>	<b>1,740,370</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfer (to) / from other funds	(7,878,600)	7,766,600	(112,000)	(8,488,600)	8,066,600	(422,000)	(8,762,528)	7,933,342	(829,186)	(407,186)
Capital lease proceeds	-	-	-	288,028	-	288,028	288,028	-	288,028	-
Sale of capital assets	300	-	300	300	-	300	50	-	50	(250)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(7,878,300)</b>	<b>7,766,600</b>	<b>(111,700)</b>	<b>(8,200,272)</b>	<b>8,066,600</b>	<b>(133,672)</b>	<b>(8,474,450)</b>	<b>7,933,342</b>	<b>(541,108)</b>	<b>(407,436)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,332,934</b>	<b>-</b>	<b>1,332,934</b>	<b>1,332,934</b>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>17,125,364</b>	<b>-</b>	<b>17,125,364</b>	<b>17,125,364</b>	<b>-</b>	<b>17,125,364</b>	<b>17,125,364</b>	<b>-</b>	<b>17,125,364</b>	<b>-</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 17,125,364</b>	<b>\$ -</b>	<b>\$ 17,125,364</b>	<b>\$ 17,125,364</b>	<b>\$ -</b>	<b>\$ 17,125,364</b>	<b>\$ 18,458,298</b>	<b>\$ -</b>	<b>\$ 18,458,298</b>	<b>\$ 1,332,934</b>

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**ON BUDGETARY ACCOUNTING AND CONTROL**  
**JUNE 30, 2024**

**NOTE 1 - Budgetary Information** - Budgets are adopted each fiscal year for all funds in accordance with Section 65.90 of the Wisconsin Statutes, using the budgetary accounting basis prescribed by the Wisconsin Department of Public Instruction. The legally adopted budget and budgetary expenditure control is exercised at the function level in the general fund and at the individual fund level for all other funds. Reported budget amounts are as originally adopted or as amended by School Board resolution.

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

1. Based upon requests from District staff, the District Administration recommends budget proposals to the Board of Education.
2. 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.
3. 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.
4. Pursuant to the budget hearing, the Board of Education may make alterations to the proposed budget.
5. After 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.
6. 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 reserved fund balance.
7. Encumbrance accounting is used by the District.
8. Budgets are adopted on a basis consistent with generally accepted accounting principles.

**NOTE 2 - Excess of Actual Expenditure Over Budget** - The following expenditure classifications were in excess of \$1,000 over budget.

General/Special Education	General administration services	\$	44,321
General/Special Education	Building administration services		19,552
General/Special Education	Debt service - principal		175,784
General/Special Education	Interest		1,506
General/Special Education	Transfer to other funds		407,186

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
WISCONSIN RETIREMENT SYSTEM PENSION SCHEDULES  
YEAR ENDED JUNE 30, 2024

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
Last 10 Fiscal Years \*

Pension Plan Fiscal Year	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 its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
2023	0.19993211%	\$ 2,972,602	\$ 37,758,705	7.87%	98.85%
2022	0.20339366%	10,775,193	36,309,905	29.68%	95.72%
2021	0.20586048%	(16,592,733)	35,555,457	-46.67%	106.02%
2020	0.20736516%	(12,946,094)	34,036,393	-38.04%	105.26%
2019	0.21140205%	(6,816,567)	33,267,434	-20.49%	102.96%
2018	0.21727139%	7,729,835	32,404,455	23.85%	96.45%
2017	0.22582810%	(6,705,104)	32,046,597	-20.92%	102.93%
2016	0.23414621%	1,929,924	32,597,732	5.92%	99.12%
2015	0.24294882%	3,947,871	33,571,083	11.76%	98.20%
2014	0.25038271%	(6,150,084)	33,599,478	-18.30%	102.74%

SCHEDULE OF CONTRIBUTIONS  
Last 10 Fiscal Years

District Fiscal Year End	Contractually Required Contributions	Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 2,627,649	\$ (2,627,649)	\$ -	\$ 38,309,017	6.86%
2023	2,488,847	(2,488,847)	-	37,262,071	6.68%
2022	2,367,889	(2,367,889)	-	35,862,562	6.60%
2021	2,297,487	(2,297,487)	-	34,036,393	6.75%
2020	2,179,018	(2,179,018)	-	33,267,434	6.55%
2019	2,171,107	(2,171,107)	-	32,404,455	6.70%
2018	2,179,146	(2,179,146)	-	32,046,597	6.80%
2017	2,154,761	(2,154,761)	-	32,597,732	6.61%
2016	2,282,834	(2,282,834)	-	33,571,083	6.80%
2015	2,352,414	(2,352,414)	-	33,599,478	7.00%

\* The amounts presented for each fiscal year were determined as of the calendar year end which occurred within the fiscal year.

**Notes to Required Supplementary Information for the Year Ended June 30, 2024**

Changes of benefit terms - there were no changes of benefit terms for any participating employer in Wisconsin Retirement System.

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

- \* Lowering the long-term expected rate of return from 7% to 6.8%
- \* Lowering the discount rate from 7% to 6.8%
- \* Lowering the price inflation rate from 2.5% to 2.4%
- \* Lowering the post-retirement adjustments from 1.9% to 1.7%
- \* Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2018, including the following:

- \* Lowering the long-term expected rate of return from 7.2% to 7%
- \* Lowering the discount rate from 7.2% to 7%
- \* Lowering the wage inflation rate from 3.2% to 3%
- \* Lowering the price inflation rate from 2.7% to 2.5%
- \* Lowering the post-retirement adjustments from 2.1% to 1.9%
- \* Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
WISCONSIN RETIREMENT SYSTEM PENSION SCHEDULES - Continued  
YEAR ENDED JUNE 30, 2024

**Notes to Required Supplementary Information for the Year Ended June 30, 2024 - Continued**

SIGNIFICANT METHODS AND ASSUMPTIONS USED IN CALCULATING WISCONSIN RETIREMENT SYSTEM ACTUARIALLY DETERMINED CONTRIBUTIONS:

	2023	2022	2021	2020	2019
Valuation Date:	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.4%	5.4%	5.4%	5.4%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	6.8%	7.0%	7.0%	7.0%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.0%	3.0%	3.0%	3.0%	3.2%
Seniority/Merit:	0.1% - 5.6%	0.1% - 5.6%	0.1% - 5.6%	0.1% - 5.6%	0.1% - 5.6%
Post Retirement Benefit Adjustments	1.7%	1.9%	1.9%	1.9%	2.1%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2021 valuation pursuant to an experience study of the period 2018-2020.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014.
Mortality:	2020 WRS Experience Tables. The Rates based on actual WRS experience adjusted for future mortality improvements using the MP-2021 fully generational improvement scale from a base year of 2010	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).

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

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
WISCONSIN RETIREMENT SYSTEM PENSION SCHEDULES - Continued  
YEAR ENDED JUNE 30, 2024

**Notes to Required Supplementary Information for the Year Ended June 30, 2024 - Continued**

SIGNIFICANT METHODS AND ASSUMPTIONS USED IN CALCULATING WISCONSIN RETIREMENT SYSTEM ACTUARIALLY DETERMINED CONTRIBUTIONS:

	2018	2017	2016	2015	2014
Valuation Date:	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.5%	5.5%	5.5%	5.5%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	7.2%	7.2%	7.2%	7.2%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.2%	3.2%	3.2%	3.2%	3.2%
Seniority/Merit:	0.1% - 5.6%	0.1% - 5.6%	0.1% - 5.6%	0.1% - 5.6%	0.1% - 5.6%
Post Retirement Benefit Adjustments	2.1%	2.1%	2.1%	2.1%	2.1%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009-2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009-2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009-2011.
Mortality:	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality.	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality.	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality.

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

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
WISCONSIN RETIREMENT SYSTEM LOCAL RETIREE LIFE INSURANCE FUND SCHEDULES  
YEAR ENDED JUNE 30, 2024

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)**  
Last 10 Fiscal Years \*

OPEB Plan Fiscal Year	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
2023	1.18428500%	\$ 5,448,486	\$ 29,247,000	18.63%	33.90%
2022	1.21200300%	4,617,521	29,327,000	15.74%	38.81%
2021	1.22630900%	7,247,939	29,582,000	24.50%	29.57%
2020	1.18603500%	6,524,049	29,132,000	22.39%	31.36%
2019	1.16321100%	4,953,179	27,987,000	17.70%	37.58%
2018	1.18765500%	3,064,551	26,830,000	11.42%	48.69%
2017	1.21092000%	3,643,150	50,922,650	7.15%	44.81%

**SCHEDULE OF CONTRIBUTIONS**  
Last 10 Fiscal Years

District Fiscal Year End	Contractually Required Contributions	Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 24,358	\$ (24,358)	\$ -	\$ 30,155,000	0.08%
2023	24,102	(24,102)	-	30,280,000	0.08%
2022	24,774	(24,774)	-	30,214,000	0.08%
2021	23,650	(23,650)	-	29,132,000	0.08%
2020	21,028	(21,028)	-	27,987,000	0.08%
2019	22,882	(22,882)	-	26,830,000	0.09%
2018	22,995	(22,995)	-	50,922,650	0.05%

\* The amounts presented for each fiscal year were determined as of the calendar year end which occurred within the fiscal year.

The District implemented the Government Accounting Standards Board Statement No. 75 for the year ended June 30, 2018. Requirements have been implemented prospectively; therefore, the above illustrations do not reflect similar information for the proceeding years.

**Notes to Required Supplementary Information for the Year Ended June 30, 2024**

Changes of benefit terms - there were no recent changes in benefit terms.

Changes of assumptions - in addition to the rate changes detailed in the tables above, the State of Wisconsin Employee Trust Fund Board adopted economic and demographic assumption changes based on a three year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retiree life insurance programs and are summarized below.

The assumption changes that were used to measure the December 31, 2021 total OPEB liabilities, including the following:

- \* Lowering the price inflation rate from 2.5% to 2.4%
- \* Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality table.

The assumption changes that were used to measure the December 31, 2018 total OPEB liabilities, including the following:

- \* Lowering the long-term expected rate of return from 5% to 4.25%
- \* Lowering the wage inflation rate from 3.2% to 3%
- \* Lowering the price inflation rate from 2.7% to 2.5%
- \* Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality table.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
OPEB HEALTHCARE DEFINED BENEFIT PLAN SCHEDULES  
YEAR ENDED JUNE 30, 2024

SCHEDULE OF CHANGES IN THE NET OPEB HEALTHCARE LIABILITY AND RELATED RATIOS  
Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Healthcare Liability</b>							
Service cost	\$ 1,008,974	\$ 960,928	\$ 1,739,799	\$ 1,378,824	\$ 1,350,658	\$ 1,386,079	\$ 1,309,691
Interest	1,017,501	973,675	591,956	811,528	602,851	594,205	565,603
Differences between expected and actual experience	(924,923)	66,842	(3,011,361)	-	(328,261)	(30,549)	(11,895)
Changes of assumptions or other input	1,759,475	-	(4,543,915)	2,134,845	886,692	-	-
Benefit payments	(1,071,977)	(1,225,941)	(1,219,439)	(1,546,659)	(976,029)	(903,748)	(865,090)
Net Changes in Total OPEB Healthcare Liability	1,789,050	775,504	(6,442,960)	2,778,538	1,535,911	1,045,987	998,309
Total OPEB Healthcare Liability - Beginning	20,381,517	19,606,013	26,048,973	23,270,435	21,734,524	20,688,537	19,690,228
<b>Total OPEB Healthcare Liability - Ending (a)</b>	<b>\$ 22,170,567</b>	<b>\$ 20,381,517</b>	<b>\$ 19,606,013</b>	<b>\$ 26,048,973</b>	<b>\$ 23,270,435</b>	<b>\$ 21,734,524</b>	<b>\$20,688,537</b>
<b>Plan Fiduciary Net Position</b>							
Contributions - employer	\$ 2,346,074	\$ 1,772,736	\$ 1,715,669	\$ 1,736,204	\$ 1,143,111	\$ 1,318,200	\$ 2,099,950
Net investment income (loss)	173,125	(348,466)	25,673	5,941	10,800	4,251	38,297
Benefit payments	(1,071,977)	(1,225,941)	(1,219,439)	(1,546,659)	(976,029)	(1,255,363)	(1,958,749)
Net Changes in Plan Fiduciary Net Position	1,447,222	198,329	521,903	195,486	177,882	67,088	179,498
Plan Fiduciary Net Position - Beginning	3,051,083	2,852,754	2,330,851	2,135,365	1,957,483	1,890,395	1,710,897
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 4,498,305</b>	<b>\$ 3,051,083</b>	<b>\$ 2,852,754</b>	<b>\$ 2,330,851</b>	<b>\$ 2,135,365</b>	<b>\$ 1,957,483</b>	<b>\$ 1,890,395</b>
<b>Net OPEB Healthcare Liability - Ending (a) - (b)</b>	<b>\$ 17,672,262</b>	<b>\$ 17,330,434</b>	<b>\$ 16,753,259</b>	<b>\$ 23,718,122</b>	<b>\$ 21,135,070</b>	<b>\$ 19,777,041</b>	<b>\$18,798,142</b>
Plan fiduciary net position as a percentage of the total OPEB Healthcare Liability	20.29%	14.97%	14.55%	8.95%	9.18%	9.01%	9.14%
Covered payroll	\$ 36,649,792	\$ 33,667,141	\$ 33,667,141	\$ 32,311,973	\$ 32,311,973	\$ 25,899,480	\$25,899,480
Net OPEB Healthcare Liability as a percentage of covered payroll	48.22%	51.48%	49.76%	73.40%	65.41%	76.36%	72.58%

SCHEDULE OF CONTRIBUTIONS  
Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contributions	\$ 2,346,074	\$ 1,773,289	\$ 2,274,855	\$ 2,208,597	\$ 1,998,262	\$ 1,940,060	\$ 1,836,997
Contributions in relation to the actuarially determined contributions	(2,346,074)	(1,772,736)	(1,715,669)	(1,736,204)	(1,143,111)	(1,255,363)	(1,958,749)
Contribution deficiency (excess)	\$ -	\$ 553	\$ 559,186	\$ 472,393	\$ 855,151	\$ 684,697	\$ (121,752)
Covered payroll	\$ 36,649,792	\$ 33,667,141	\$ 33,667,141	\$ 32,311,973	\$ 32,311,973	\$ 25,899,480	\$25,899,480
Contributions as a percentage of covered payroll	6.40%	5.27%	5.10%	5.37%	3.54%	4.85%	7.56%
Actuarial valuation date	6/30/2023	6/30/2021	6/30/2021	6/30/2019	6/30/2019	6/30/2017	6/30/2017
Measurement date	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017

The District implemented the Government Accounting Standards Board Statement No. 75 for the year ended June 30, 2018. Requirements have been implemented prospectively; therefore, the above illustrations do not reflect similar information for the proceeding years.

**Notes to Required Supplementary Information for the Year Ended June 30, 2024**

Methods and assumptions used to determine actuarial calculations - entry age normal cost, 30 year level % open amortization, fair value asset valuation, 4.25% discount rate, 2.5% inflation, 3% salary increases, 2020 WRS Experience Tables.

Changes of benefit terms - there were no changes of benefit terms.

Changes of assumptions - the inflation rate increased to 2.5%.

**WISCONSIN RAPIDS PUBLIC SCHOOLS  
WISCONSIN RAPIDS, WISCONSIN  
SUPPLEMENTARY INFORMATION**

**WISCONSIN RAPIDS PUBLIC SCHOOLS**

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2024

	SPECIAL REVENUE FUNDS					OTHER	TOTAL
	SPECIAL	SPECIAL	INDIAN	FOOD	COMMUNITY	CAPITAL	NONMAJOR
	REVENUE TRUST	REVENUE TRUST	EDUCATION	SERVICE	SERVICE	PROJECTS	GOVERNMENTAL
		STUDENT ACTIVITY					FUNDS
<b>ASSETS</b>							
Cash and investments	\$ 104,259	\$ 967,762	\$ -	\$ 1,293,789	\$ 1,639,249	\$ 3,016,035	\$ 7,021,094
Receivables							
Accounts	27,449	-	-	-	-	-	27,449
Due from other governments	-	-	14,928	53,377	-	-	68,305
<b>TOTAL ASSETS</b>	<b>131,708</b>	<b>967,762</b>	<b>14,928</b>	<b>1,347,166</b>	<b>1,639,249</b>	<b>3,016,035</b>	<b>7,116,848</b>
<b>LIABILITIES</b>							
Accounts payable	-	-	-	5,047	1,658	-	6,705
Accrued payroll liabilities	-	-	-	8,014	4,819	-	12,833
Due to other funds	-	-	14,928	-	-	-	14,928
Unearned revenue	-	-	-	56,138	-	-	56,138
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>14,928</b>	<b>69,199</b>	<b>6,477</b>	<b>-</b>	<b>90,604</b>
<b>FUND BALANCES</b>							
Restricted	-	-	-	1,277,967	-	3,016,035	4,294,002
Committed	131,708	967,762	-	-	-	-	1,099,470
Assigned	-	-	-	-	1,632,772	-	1,632,772
<b>TOTAL FUND BALANCES</b>	<b>131,708</b>	<b>967,762</b>	<b>-</b>	<b>1,277,967</b>	<b>1,632,772</b>	<b>3,016,035</b>	<b>7,026,244</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 131,708</b>	<b>\$ 967,762</b>	<b>\$ 14,928</b>	<b>\$ 1,347,166</b>	<b>\$ 1,639,249</b>	<b>\$ 3,016,035</b>	<b>\$ 7,116,848</b>

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2024

	SPECIAL REVENUE FUNDS					OTHER	TOTAL
	SPECIAL	SPECIAL	INDIAN	FOOD	COMMUNITY	CAPITAL	NONMAJOR
	REVENUE TRUST	REVENUE TRUST	EDUCATION	SERVICE	SERVICE	PROJECTS	GOVERNMENTAL
		STUDENT ACTIVITY					FUNDS
REVENUES							
Other local sources	\$ 77,495	\$ -	\$ -	\$ 951,907	\$ 48,698	\$ 1,674,931	\$ 2,753,031
State sources	-	-	-	46,491	-	-	46,491
Federal sources	-	-	20,894	2,558,318	-	-	2,579,212
Other sources	-	244,666	-	20,916	-	-	265,582
TOTAL REVENUES	<u>77,495</u>	<u>244,666</u>	<u>20,894</u>	<u>3,577,632</u>	<u>48,698</u>	<u>1,674,931</u>	<u>5,644,316</u>
EXPENDITURES							
Current							
Instruction							
Regular instruction	2,055	69,104	-	-	-	-	71,159
Vocational instruction	22,337	-	-	-	-	-	22,337
Other instruction	-	4,837	-	-	-	-	4,837
Total instruction	<u>24,392</u>	<u>73,941</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>98,333</u>
Support services							
Pupil services	33,423	-	17,688	-	-	-	51,111
Instructional staff services	-	-	295	-	-	-	295
Business services	-	-	2,911	3,733,671	305,608	507,367	4,549,557
Central services	-	-	-	26,210	-	-	26,210
Other support services	-	-	-	-	4,666	-	4,666
Community services	-	-	-	-	608,088	-	608,088
Total support services	<u>33,423</u>	<u>-</u>	<u>20,894</u>	<u>3,759,881</u>	<u>918,362</u>	<u>507,367</u>	<u>5,239,927</u>
Non-program transactions	<u>523</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>523</u>
Capital outlay	-	-	-	57,529	-	1,174,452	1,231,981
TOTAL EXPENDITURES	<u>58,338</u>	<u>73,941</u>	<u>20,894</u>	<u>3,817,410</u>	<u>918,362</u>	<u>1,681,819</u>	<u>6,570,764</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>19,157</u>	<u>170,725</u>	<u>-</u>	<u>(239,778)</u>	<u>(869,664)</u>	<u>(6,888)</u>	<u>(926,448)</u>
NET CHANGE IN FUND BALANCE	<u>19,157</u>	<u>170,725</u>	<u>-</u>	<u>(239,778)</u>	<u>(869,664)</u>	<u>(6,888)</u>	<u>(926,448)</u>
FUND BALANCES - BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	112,551	797,037	-	1,517,745	2,502,436	-	4,929,769
CHANGE WITHIN THE FINANCIAL REPORTING ENTITY	-	-	-	-	-	3,022,923	3,022,923
FUND BALANCES - BEGINNING OF YEAR, AS RESTATED	<u>112,551</u>	<u>797,037</u>	<u>-</u>	<u>1,517,745</u>	<u>2,502,436</u>	<u>3,022,923</u>	<u>7,952,692</u>
FUND BALANCES - END OF YEAR	<u>\$ 131,708</u>	<u>\$ 967,762</u>	<u>\$ -</u>	<u>\$ 1,277,967</u>	<u>\$ 1,632,772</u>	<u>\$ 3,016,035</u>	<u>\$ 7,026,244</u>

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
**SCHEDULE OF CHARTER SCHOOL AUTHORIZER OPERATING COSTS**  
**YEAR ENDED JUNE 30, 2024**

<u>OPERATING ACTIVITY</u>	<u>WUFAR OBJECT CODE</u>	<u>COST</u>
Employee salary	100	\$ -
Employee benefits	200	-
Purchased services	300	-
Non-capital objects	400	-
Capital objects	500	-
Debt retirement	600	-
Insurance and judgments	700	-
Other objects	900	-
Total		<u>\$ -</u>

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2024

AWARDING AGENCY	PASS-THROUGH ENTITY IDENTIFYING NUMBER	ASSISTANCE LISTING NUMBER	PROGRAM OR AWARD AMOUNT	ACCRUED RECEIVABLE (UNEARNED REVENUE) JULY 1, 2023	REVENUES GRANTOR REIMBURSEMENT	EXPENDITURES	ACCRUED RECEIVABLE (UNEARNED REVENUE) JUNE 30, 2024	SUBRECIPIENT PASS-THROUGH EXPENDITURES
<b>U.S. DEPARTMENT OF AGRICULTURE</b>								
Wisconsin Department of Public Instruction								
<u>Child Nutrition Cluster</u>								
Food Donation July 1, 2023 - June 30, 2024	None	10.555	N/A	\$ -	\$ 253,432	\$ 253,432	\$ -	\$ -
School Breakfast Program July 1, 2023 - June 30, 2024	2024-716685-DPI-SB-546	10.553	N/A	-	558,469	564,013	5,544	-
National School Lunch Program July 1, 2023 - June 30, 2024	2024-716685-DPI-NSL-547	10.555	N/A	-	1,616,935	1,633,338	16,403	-
Special Milk Program for Children July 1, 2023 - June 30, 2024	2024-716685-DPI-SMP-548	10.556	N/A	-	3,341	3,353	12	-
Summer Food Service Program for Children July 1, 2022 - June 30, 2023	2023-716685-DPI-SMP-561	10.559	N/A	16,926	16,926	-	-	-
July 1, 2023 - June 30, 2024	2024-716685-DPI-SMP-548		N/A	-	20,115	51,534	31,419	-
COVID-19 - Summer Food Service Program for Children July 1, 2022 - June 30, 2023	2023-716685-DPI-SMP-561	10.559	N/A	10,128	10,128	-	-	-
Fresh Fruit and Vegetable Program July 1, 2023 - June 30, 2024	2024-716685-DPI-FFVP-July-594	10.582	\$ 8,654	-	6,888	6,888	-	-
Fresh Fruit and Vegetable Program July 1, 2022 - June 30, 2023	2024-716685-DPI-FFVP-Oct-376	10.582	42,948	-	45,760	45,760	-	-
Total Child Nutrition Cluster				27,054	2,531,994	2,558,318	53,378	-
TOTAL U.S. DEPARTMENT OF AGRICULTURE				27,054	2,531,994	2,558,318	53,378	-
<b>FEDERAL COMMUNICATIONS COMMISSION</b>								
Universal Service Administrative Company								
Emergency Connectivity Fund Program (ARPA) July 1, 2023 - June 30, 2024	None	32.009	N/A	-	526,681	526,681	-	-
TOTAL FEDERAL COMMUNICATIONS COMMISSION				-	526,681	526,681	-	-
<b>U.S. DEPARTMENT OF EDUCATION</b>								
Indian Education								
July 1, 2022 - June 30, 2023	S060A200136	84.060	N/A	23,918	23,918	-	-	-
July 1, 2023 - June 30, 2024	S060A210136		28,612	-	5,966	20,894	14,928	-
				23,918	29,884	20,894	14,928	-
Wisconsin Department of Public Instruction								
<u>Special Education Cluster</u>								
Special Education - Grants to States (IDEA Part B) July 1, 2022 - June 30, 2023	2023-716685-DPI-IDEA-FLOW-341	84.027A	N/A	560,419	560,419	-	-	-
July 1, 2023 - June 30, 2024	2024-716685-DPI-IDEA-FLOW-341		1,181,148	-	806,599	1,141,898	335,299	-
Special Education - Grants to States - CEIS July 1, 2022 - June 30, 2023	2023-716685-DPI-IDEA-FLOW-341	84.027A	N/A	170,614	170,614	-	-	-
July 1, 2023 - June 30, 2024	2024-716685-DPI-IDEA-FLOW-341		261,135	-	133,491	173,355	39,864	-
Special Education - Preschool Grants (IDEA Part B) July 1, 2022 - June 30, 2023	None	84.173A	N/A	-	-	-	-	-
July 1, 2023 - June 30, 2024	2024-716685-DPI-ELIMG-347		16,000	-	13,716	15,843	2,127	-
Special Education - Preschool Grants (IDEA Part B) July 1, 2022 - June 30, 2023	2023-716685-DPI-PRESCH-347	84.173A	N/A	40,260	40,260	-	-	-
July 1, 2023 - June 30, 2024	2024-716685-DPI-PRESCH-347		28,938	-	15,729	22,203	6,474	-
Total Special Education Cluster				771,293	1,740,828	1,353,299	383,764	-
<u>Education Stabilization Fund</u>								
Elementary and Secondary School Emergency Relief Fund III April 23, 2023 - September 30, 2024	2023-716685-DPI-ESF Summer-165	84.425U		176,000	-	88,585	88,585	-
Elementary and Secondary School Emergency Relief Fund III April 23, 2021 - September 30, 2024	2024-716685-DPI-LETRS-165	84.425U		34,000	-	22,393	22,393	-
COVID-19 - Elementary and Secondary School Emergency Relief Fund III March 13, 2020 - September 30, 2024	2023-716685-DPI-ESSERFIII-165	84.425U		N/A	971,183	971,183	-	-
March 13, 2020 - September 30, 2024	2024-716685-DPI-ESSERFIII-165		7,082,465	-	1,703,876	2,684,079	980,203	-
COVID-19 - ESSER -Homeless Children and Youth Part 1 April 23, 2021 - September 30, 2024	2023-716685-DPI-ARPHCYI-168	84.425W		N/A	7,191	7,191	-	-
April 23, 2021 - September 30, 2024	2024-716685-DPI-ARPHCYI-168		30,000	-	12,153	17,887	5,734	-
COVID-19 - ESSER -Homeless Children and Youth Part 2 April 23, 2021 - September 30, 2024	2023-716685-DPI-ARPHCYII-173	84.425W		N/A	13,696	13,696	-	-
April 23, 2021 - September 30, 2024	2024-716685-DPI-ARPHCYII-173		42,501	-	12,666	12,666	-	-
Total Education Stabilization Fund				992,070	2,831,743	2,825,610	985,937	-
Title I-A - Grants to Local Educational Agencies July 1, 2022 - June 30, 2023	2023-716685-DPI-TIA-141	84.010A		N/A	494,570	494,570	-	-
July 1, 2023 - June 30, 2024	2024-716685-DPI-TIA-141		1,357,133	-	926,151	1,290,303	362,152	-
Career and Technical Education - Basic Grants to States July 1, 2022 - June 30, 2023	2023-716685-DPI-CTE-400	84.048		N/A	30,416	30,416	-	-
July 1, 2023 - June 30, 2024	2024-716685-DPI-CTE-400		55,033	-	57,205	62,376	5,171	-
Title X-C - Education for Homeless Children and Youth July 1, 2022 - June 30, 2023	2023-716685-DPI-EHCY-335	84.196A		N/A	42,021	42,021	-	-
July 1, 2023 - June 30, 2024	2024-716685-DPI-EHCY-335		58,971	-	20,905	32,160	11,255	-
Title III-A - English Language Acquisition Grants July 1, 2022 - June 30, 2023	2023-716685-DPI-TIIIA-391	84.365A		N/A	10,492	10,492	-	-
July 1, 2023 - June 30, 2024	2024-716685-DPI-TIIIA-391		16,244	-	12,203	16,244	4,041	-
Title II-A - Supporting Effective Instruction State Grant July 1, 2022 - June 30, 2023	2023-716685-DPI-TIIA-365	84.367A		N/A	85,785	85,785	-	-
July 1, 2023 - June 30, 2024	2024-716685-DPI-TIIA-365		143,178	-	88,985	133,259	44,274	-
Title IV-A Student Support and Academic Enrichment Grants July 1, 2022 - June 30, 2023	2023-716685-DPI-TIVA-381	84.424A		N/A	32,522	32,522	-	-
July 1, 2023 - June 30, 2024	2024-716685-DPI-TIVA-381		56,021	-	21,231	56,248	35,017	-
Bipartisan Safer Communities Act April 23, 2021 - September 30, 2024	2024-716685-DPI-SCG-394	84.424F		133,891	-	-	1,736	-
Mid-State Technical College Tech Prep Education July 1, 2023 - June 30, 2024	None	84.048	N/A	-	1,400	1,400	-	-
TOTAL U.S. DEPARTMENT OF EDUCATION				2,483,087	6,428,341	5,793,529	1,848,275	-
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>								
Cooperative Educational Service Agency #5								
Public Health Emergency Response July 1, 2023 - June 30, 2024	None	93.354	7,787	-	1,250	7,787	6,537	-
Wisconsin Department of Health Services								
<u>Medicaid Cluster</u>								
Medical Assistance July 1, 2023 - June 30, 2024	None	93.778	N/A	-	603,863	642,882	39,019	-
Total Medicaid Cluster				-	603,863	642,882	39,019	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				-	605,113	650,669	45,556	-
<b>TOTAL FEDERAL ASSISTANCE</b>				<b>\$ 2,510,141</b>	<b>\$ 10,092,129</b>	<b>\$ 9,529,197</b>	<b>\$ 1,947,209</b>	<b>\$ -</b>

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
**SCHEDULE OF STATE FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2024**

AWARDING AGENCY PASS-THROUGH AGENCY AWARD DESCRIPTION	PASS-THROUGH		RECEIVABLE			RECEIVABLE		SUBRECIPIENT PASS-THROUGH EXPENDITURES					
	ENTITY	STATE	(UNEARNED	REVENUE	EXPENDITURES	(UNEARNED REVENUE)							
	IDENTIFYING NUMBER	I.D. NUMBER	REVENUE) JULY 1, 2023	GRANTOR REIMBURSEMENT									
WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION													
Wisconsin Department of Public Instruction													
Special Education and School Age Parents	716685-100	255.101	\$	-	\$	3,717,690	\$	-	\$	-			
State School Lunch Aid	716685-107	255.102		-		26,448		26,448		-			
Common School Fund Library Aid	716685-104	255.103		-		395,729		395,729		-			
Bilingual/Bicultural Aid	716685-111	255.106		-		49,251		49,251		-			
General Transportation Aid	716685-102	255.107		-		166,820		166,820		-			
General Aids Cluster													
Equalization Aid	716685-116	255.201		-		42,060,325		42,060,325		-			
High Cost Special Education Aid	716685-119	255.210		-		38,663		38,663		-			
Aid for School Mental Health Programs	716685-176	255.227		-		106,469		106,469		-			
School Based Mental Health Services Grant	716685-177	255.297		136,005		292,399		155,918	(476)	-			
Peer Review and Mentoring	716685-141	255.301		24,963		24,963		23,165	23,165	-			
AODA Program Grants - Cool To Be Kind	716685-142	255.321		1,000		2,000		1,000	-	-			
School Breakfast Program	716685-108	255.344		-		20,043		20,043		-			
Gifted and Talented Education Grant	716685-139	255.350		-		-		33,195	33,195	-			
Student Achievement Guarantee in Education	716685-160	255.504		-		1,763,647		1,763,647	-	-			
Educator Effectiveness Evaluation System	716685-154	255.940		-		34,400		34,400	-	-			
Per Pupil Aid	716685-113	255.945		-		3,516,338		3,516,338	-	-			
Career and Technical Education Incentive	716685-152	255.950		-		68,516		68,516	-	-			
Assessments for Reading Readiness	716685-166	255.956		-		4,919		4,919	-	-			
Aid for Special Education Transition Grants	716685-168	255.960		-		46,730		46,730	-	-			
TOTAL WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION				161,968		52,335,350		52,229,266	55,884	-			
WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT													
Youth Apprenticeship Grant	None	445.107		-		19,571		11,360	(8,211)	-			
TOTAL WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT				-		19,571		11,360	(8,211)	-			
WISCONSIN DEPARTMENT OF NATURAL RESOURCES													
Payment in Lieu of Taxes	None	None		-		20,663		20,663	-	-			
TOTAL WISCONSIN DEPARTMENT OF NATURAL RESOURCES				-		20,663		20,663	-	-			
WISCONSIN DEPARTMENT OF REVENUE													
Exempt Personal Property Aid	None	None		-		161,954		161,954	-	-			
Exempt Computer Aid	None	None		139,645		139,645		139,645	139,645	-			
TOTAL WISCONSIN DEPARTMENT OF REVENUE				139,645		301,599		301,599	139,645	-			
WISCONSIN DEPARTMENT OF JUSTICE													
School Safety Initiative - digital mapping of school business	None	455.206		-		22,714		22,714	-	-			
TOTAL WISCONSIN DEPARTMENT OF JUSTICE				-		22,714		22,714	-	-			
TOTAL STATE FINANCIAL ASSISTANCE				\$	301,613	\$	52,699,897	\$	52,585,602	\$	187,318	\$	-

The accompanying notes are an integral part of these statements.

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
NOTES TO THE SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
JUNE 30, 2024

**NOTE 1 - Basis of Presentation**

The accompanying schedules of expenditures of federal awards and state financial assistance include the federal and state grant activity of the Wisconsin Rapids Public Schools. The information in these schedules is presented in accordance with the requirements of Uniform Guidance and *State Single Audit Guidelines*. Therefore, some amounts presented in these schedules may differ from amounts presented in or used in the preparation of the financial statements.

**NOTE 2 - Summary of Significant Accounting Policies**

Expenditures reported on the schedules are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable and are limited as to reimbursement.

**NOTE 3 - Special Education and School Age Parents Program**

2023-2024 eligible costs under the State Special Education Program are \$12,240,822.

**NOTE 4 - Food Distribution Program**

Non-monetary assistance is reported in the schedule of federal awards at the fair market value of the commodities received and used.

**NOTE 5 - 10% De Minimis Cost Rate**

Elected not to use.

**WISCONSIN RAPIDS PUBLIC SCHOOLS  
WISCONSIN RAPIDS, WISCONSIN**

**OTHER REPORTS**



**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**

To the Board of Education  
Wisconsin Rapids Public Schools  
Wisconsin Rapids, 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 Wisconsin Rapids Public Schools, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Wisconsin Rapids Public Schools' basic financial statements and have issued our report thereon dated December 5, 2024.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Wisconsin Rapids Public Schools' 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 Wisconsin Rapids Public Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of the Wisconsin Rapids Public Schools' internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, 2024-001, described in the accompanying schedule of findings and questioned costs to be a significant deficiency.

## ***Report on Compliance and Other Matters***

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

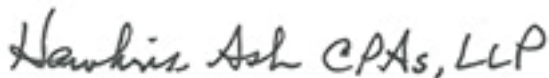
### **Wisconsin Rapids Public Schools' Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Wisconsin Rapids Public Schools' response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. Wisconsin Rapids Public Schools' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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.

HAWKINS ASH CPAS, LLP

A handwritten signature in dark ink that reads "Hawkins Ash CPAs, LLP". The signature is written in a cursive, flowing style.

Manitowoc, Wisconsin  
December 5, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM  
GUIDANCE AND STATE SINGLE AUDIT GUIDELINES**

To the Board of Education  
Wisconsin Rapids Public Schools  
Wisconsin Rapids, Wisconsin

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

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

We have audited Wisconsin Rapids Public Schools' compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and *State Single Audit Guidelines* that could have a direct and material effect on each of Wisconsin Rapids Public Schools' major federal and state programs for the year ended June 30, 2024. Wisconsin Rapids Public Schools' major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Wisconsin Rapids Public Schools' complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2024.

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

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

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

***Responsibilities of Management for Compliance***

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

## ***Auditors' Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on 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.

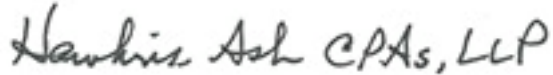
Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material

weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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 *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

HAWKINS ASH CPAS, LLP

A handwritten signature in cursive script that reads "Hawkins Ash CPAs, LLP".

Manitowoc, Wisconsin  
December 5, 2024

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2024**

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

**Financial Statements**

- |   |            |
|---|------------|
| 1. Type of auditors' report issued:   | Unmodified |
| 2. Internal control over financial reporting:                                       |            |
| a. Material weakness identified?  | No         |
| b. Significant deficiency(ies) identified not considered to be material weaknesses? | Yes        |
| c. Noncompliance material to the financial statements?                              | No         |

**Federal Awards**

- |   |            |
|---|------------|
| 3. Internal control over financial reporting:   |            |
| a. Material weakness identified?  | No         |
| b. Significant deficiency(ies) identified not considered to be material weaknesses?                       | No         |
| 4. Type of auditors' report issued on compliance for major programs:                                      | Unmodified |
| 5. Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? | No         |

6. Identification of major federal programs:

**Assistance Listing Number**

84.027/84.173  
84.425

**Name of Federal Program or Cluster**

Special Education Cluster  
Education Stabilization

**State Assistance**

- |  |            |
|--|------------|
| 7. Internal control over financial reporting:  |            |
| a. Material weakness identified?   | No         |
| b. Significant deficiency(ies) identified not considered to be material weaknesses?  | No         |
| 8. Type of auditors' report issued on compliance for major programs:   | Unmodified |
| 9. Any audit findings disclosed that are required to be reported in accordance with the <i>State Single Audit Guidelines</i> ? | No         |

10. Identification of major state programs:

**State ID Number**

255.101  
255.945

**Name of State Program or Cluster**

Special Education and School Age Parents  
Per Pupil Aid

- |   |             |
|---|-------------|
| 11. Dollar threshold used to distinguish between: |             |
| Type A and Type B federal programs:               | \$750,000   |
| Type A and Type B state programs:                 | \$1,000,000 |
| 12. Auditee qualified as low-risk auditee?        | Yes         |

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued  
JUNE 30, 2024

**Section II - Financial Statement Findings and Questioned Costs**

**2024-001 - Preparation of Financial Statements**

Program: District-Wide.

Criteria: Adequate internal controls necessitate personnel to have knowledge and training which would enable them to prepare financial statements (and footnotes) in accordance with generally accepted accounting principles (GAAP).

Condition: Personnel cannot prepare GAAP basis financial statements.

Questioned Costs: Not applicable.

Context: Personnel have adequate knowledge and experience in governmental accounting and interim reporting requirements; however, their limited knowledge and lack of training limits their ability to prepare GAAP basis financial statements.

Effect: This weakness could result in the possibility of undetected errors and irregularities.

Information: Isolated instance.

Prior Year Finding: This was a prior year audit finding numbered 2023-001.

Recommendation: Obtain adequate training or continue to hire a certified public accounting (CPA) firm to prepare GAAP basis financial statements.

Management's Response: Due to the complexities involved with preparing GAAP basis financial statements, management has weighed the cost-benefit of training personnel or hiring a CPA firm. Management has concluded to hire a CPA firm.

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

None.

**Section IV - Other Issues**

1. Does the auditors' report or the notes to the financial statements include a disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? No
2. Does the auditors' report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, material weaknesses, or significant deficiencies) related to state awards with pass-through entities that require audits to be conducted in accordance with the *State Single Audit Guidelines*:

Wisconsin Department of Health Services	No
Wisconsin Department of Justice	No
Wisconsin Department of Natural Resources	No
Wisconsin Department of Public Instruction	No
Wisconsin Department of Revenue	No

**WISCONSIN RAPIDS PUBLIC SCHOOLS**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued  
JUNE 30, 2024

3. Was a management letter or other document conveying audit comments issued as a result of this audit?

Yes

4. Name and signature of partner

*Randall L. Miller, CPA*

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Randall L. Miller, Partner



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**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND CORRECTIVE ACTION PLAN**  
JUNE 30, 2024

**Summary Schedule of Prior Audit Findings**

2023-001 Preparation of Financial Statements - Repeat. Initially occurred 6/30/09.

**Corrective Action Plan**

2024-001 - Preparation of Financial Statements - Contact: Aaron Nelson, Director of Business Services. Completion date: N/A. Due to the complexities of governmental reporting in accordance with GAAP, i.e. financial statements and related disclosure reporting, District management has weighed the cost benefit of training current staff or hiring a Certified Public Accountant on staff for the purposes of preparing the external financial statements in accordance with GAAP. District management has concluded to outsource the preparation of the external financial statements and related disclosures to their certified public accounting firm, which is an acceptable practice according to *Government Auditing Standards*. District management will review and approve the externally prepared financial statements.

**WISCONSIN RAPIDS PUBLIC SCHOOLS  
WISCONSIN RAPIDS, WISCONSIN**

**INDEPENDENT AUDITORS' REPORTS ON COMMUNICATION  
WITH THOSE CHARGED WITH GOVERNANCE  
AND MANAGEMENT ADVISORY COMMENTS**

**JUNE 30, 2024**

# **WISCONSIN RAPIDS PUBLIC SCHOOLS**

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**JUNE 30, 2024**

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Appendix A	Adjusting Journal Entries Report
Appendix B	Adjustments Passed and Projected Errors
Appendix C	Management Representation Letter



**INDEPENDENT AUDITORS' REPORT ON  
COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE**

To the Board of Education  
Wisconsin Rapids Public Schools  
Wisconsin Rapids, Wisconsin

We have audited the financial statements of the Wisconsin Rapids Public Schools as of and for the year ended June 30, 2024, and have issued our report thereon dated December 5, 2024. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated June 3, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Wisconsin Rapids Public Schools solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting noted during our audit in a separate letter to you dated December 5, 2024.

**Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

**Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

## **Significant Risks Identified**

We have identified the following significant risks:

- Management Override of Controls - professional standards require the auditor to address the risk that management is in a unique position to override controls that otherwise appear to be operating effectively.
- Improper Revenue Recognition - professional standards require the auditor to presume that risks of material misstatements exist in revenue recognition.

We have designed our audit procedures to adequately address the significant risks identified.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Wisconsin Rapids Public Schools is included in Note 1 to the financial statements. The District changed accounting policies by adopting Governmental Accounting Standards Board No. 100, Accounting Changes and Error Corrections, in 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates and Related Disclosures*

Accounting estimates and related disclosures are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

- Management's estimate of the Wisconsin Retirement System pension was calculated by the State of Wisconsin Department of Employee Trust Funds' third party actuary.
- Management's estimate of the Wisconsin Retirement System local retiree life insurance fund was calculated by the State of Wisconsin Department of Employee Trust Funds' third-party actuary.
- Management's estimate of the other post employment benefit was calculated by the entity's third-party actuary.
- Management's estimated discount rate used to determine the SBITA liability.

We evaluated the factors and assumptions used to develop the estimates listed above and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the

Wisconsin Rapids Public Schools's financial statements relate to: revenue recognition, Wisconsin Retirement System pension, Wisconsin Retirement System local retiree life insurance fund, and other post employment benefit.

### **Significant Unusual Transactions**

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. We have not identified any significant unusual transactions during the audit.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. The attached schedule (Appendix B) summarizes uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and each applicable opinion unit. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements (listed under Appendix A) identified by us as a result of our audit procedures, and corrected by, management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Wisconsin Rapids Public Schools' financial statements or the auditors' report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated December 5, 2024.

## **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

## **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the Wisconsin Rapids Public Schools, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Wisconsin Rapids Public Schools' auditors.

This report is intended solely for the information and use of the Board of Education and management of the Wisconsin Rapids Public Schools and is not intended to be and should not be used by anyone other than these specified parties.

HAWKINS ASH CPAS, LLP

A handwritten signature in dark ink that reads "Hawkins Ash CPAs, LLP". The signature is written in a cursive, flowing style.

Manitowoc, Wisconsin

December 5, 2024



## INDEPENDENT AUDITORS' REPORT ON MANAGEMENT ADVISORY COMMENTS

To the Board of Education  
Wisconsin Rapids Public Schools  
Wisconsin Rapids, Wisconsin

We have audited the general purpose financial statements of the Wisconsin Rapids Public Schools as of and for the year ended June 30, 2024 and have issued our report thereon dated December 5, 2024. We have also issued compliance reports and reports on the internal control structure in accordance with *Government Auditing Standards*. These reports disclosed any material instances of noncompliance, federal and state program findings and questioned costs, material weaknesses and significant deficiencies that were identified during the audit.

Other matters involving the internal control structure and the District's operations which came to our attention during the audit are reported on the following pages as management advisory comments.

We would like to take this opportunity to acknowledge the many courtesies extended to us by the District's personnel during the course of our work. In particular, we would like to note the considerable assistance and cooperation provided to us by Aaron Nelson and his staff.

We shall be pleased to discuss any of the matters referred to in this letter. Should you desire assistance in implementing any of the following suggestions, we would welcome the opportunity of assisting you in these matters.

HAWKINS ASH CPAS, LLP

A handwritten signature in dark ink that reads 'Hawkins Ash CPAs, LLP'.

Manitowoc, Wisconsin  
December 5, 2024

## MANAGEMENT ADVISORY COMMENTS

### Current Year Comments

#### New Standard - GASB Statement No. 101 - Compensated Absences

The statement establishes standards of accounting and financial reporting for compensated absences and associated salary related payments, including certain defined contribution pensions and defined contribution other postemployment benefits.

A liability should be recognized for leave that has not been used if all of the following are true:

- a. The leave is attributed to services already rendered
- b. The leave accumulates
- c. The leave is more likely than not (more than 50%) to be used for time off or otherwise paid in cash or settled through noncash means.

The leave should be evaluated by assessing relevant factors, including the following:

- a. The employment policies related to compensated absences
- b. Whether leave that has been earned is, or will become, eligible for use or payment in the future
- c. Historical information about the use, payment, or forfeiture of compensated absences
- d. Information known to the government that would indicate that historical information may not be representative of future trends or patterns.

Some leaves are excluded from the liability: military leave, parental leave, jury duty, unlimited leave, holiday leave, and leave more likely than not to be settled through conversion to defined benefit pension or other postemployment benefits.

The requirements of this statement are effective for fiscal years beginning after December 15, 2023. Your June 30, 2025 financial statement will be updated for these new reporting requirements.

### Status of Prior Year(s) Comments

None.

## APPENDIX A

Client: **0201753 - Wisconsin Rapids Public Schools**  
Engagement: **24 Audit - Wisconsin Rapids Public Schools**  
Period Ending: **6/30/2024**  
Trial Balance: **Database**  
Workpaper: **1501 - Adjusting Journal Entries**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries</b>				
<b>Adjusting Journal Entries JE # 34</b>		<b>1501.01</b>		
2024 - Adjustment made per client subsequent to importing the trial balance.				
50-000-715600-000	- DUE FROM FEDERAL GOVERNME		53,377.00	
50-000-713200-000	- ACCOUNTS RECEIVABLE			53,377.00
10-000-711100-000	Cash on Deposit			
21-000-711100-000	Cash on Deposit			
27-000-711100-000	Cash on Deposit			
27-000-811200-000	- ACCOUNTS PAYABLE			
49-000-711100-000	Cash on Deposit			
49-000-811200-000	ACCOUNTS PAYABLE			
50-000-711100-000	Cash on Deposit			
50-000-811200-000	ACCOUNTS PAYABLE			
80-000-711100-000	Cash on Deposit			
80-000-811200-000	Accounts Payable			
<b>Total</b>			<b>53,377.00</b>	<b>53,377.00</b>
<b>Adjusting Journal Entries JE # 42</b>				
<b>Adjusting Journal Entries JE # 42</b>		<b>1501.03</b>		
2024 - Adjustment made per client subsequent to importing the trial balance.				
10-000-711800-000	- FLEX ACCOUNT		2,500.00	
10-941-251000-000	Direction of Business - District Dues and Fees			2,500.00
<b>Total</b>			<b>2,500.00</b>	<b>2,500.00</b>
<b>Adjusting Journal Entries JE # 43</b>				
<b>Adjusting Journal Entries JE # 43</b>		<b>1501.04</b>		
2024 - Adjustment made per client subsequent to importing the trial balance.				
10-000-715420-000	Due From CESA		6,537.00	
10-517-500000-000	REVENUES			6,537.00
<b>Total</b>			<b>6,537.00</b>	<b>6,537.00</b>
<b>Adjusting Journal Entries JE # 44</b>				
<b>Adjusting Journal Entries JE # 44</b>		<b>1501.05</b>		
2024 - Adjustment made per client subsequent to importing the trial balance.				
10-971-500000-000	REVENUES		526,681.00	
10-791-500000-000	Federal Revenue from other Sources			526,681.00
<b>Total</b>			<b>526,681.00</b>	<b>526,681.00</b>
<b>Adjusting Journal Entries JE # 45</b>				
<b>Adjusting Journal Entries JE # 45</b>		<b>1501.06</b>		
2024 - Adjustment made per client subsequent to importing the trial balance.				
10-630-500000-000	REVENUES		476.00	
10-000-813500-000	Due To State Govt			476.00
<b>Total</b>			<b>476.00</b>	<b>476.00</b>

Client: **0201753 - Wisconsin Rapids Public Schools**  
Engagement: **24 Audit - Wisconsin Rapids Public Schools**  
Period Ending: **6/30/2024**  
Trial Balance: **Database**  
Workpaper: **1501 - Adjusting Journal Entries**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries</b>				
<b>Adjusting Journal Entries JE # 46</b>		<b>1501.09</b>		
2024 - Adjustment made per client subsequent to importing the trial balance.				
10-000-711100-000	Cash on Deposit		8,211.00	
10-100-120000-000	REGULAR CURRICULUM		5,249.00	
10-100-220000-000	STAFF SERVICES		500.00	
10-212-120000-000	REGULAR CURRICULUM		361.00	
10-212-220000-000	STAFF SERVICES		35.00	
10-220-120000-000	REGULAR CURRICULUM		402.00	
10-220-220000-000	STAFF SERVICES		38.00	
10-310-130000-000	Vocational Curriculum		2,925.00	
10-342-220000-000	STAFF SERVICES		238.00	
10-411-130000-000	Vocational Curriculum		78.00	
10-420-120000-000	Regular Curriculum - Apparel		1,438.00	
10-439-130000-000	Vocational Curriculum		96.00	
21-291-130000-000	Vocational Curriculum		19,248.00	
21-411-130000-000	Vocational Curriculum		322.00	
10-000-816900-000	Other Deferred Revenues			8,211.00
10-515-500000-000	-late Aid (Other Than Special Education) Transited Through CESA			11,360.00
21-000-711100-000	Cash on Deposit			322.00
21-000-711100-000	Cash on Deposit			7,888.00
21-100-120000-000	REGULAR CURRICULUM			5,249.00
21-100-220000-000	STAFF SERVICES			500.00
21-212-120000-000	REGULAR CURRICULUM			361.00
21-212-220000-000	STAFF SERVICES			35.00
21-220-120000-000	REGULAR CURRICULUM			402.00
21-220-220000-000	STAFF SERVICES			38.00
21-310-130000-000	Vocational Curriculum			2,925.00
21-342-220000-000	STAFF SERVICES			238.00
21-411-130000-000	Vocational Curriculum			78.00
21-420-130000-000	Vocational Curriculum			1,438.00
21-439-130000-000	Vocational Curriculum			96.00
<b>Total</b>			<b>39,141.00</b>	<b>39,141.00</b>
<b>Adjusting Journal Entries JE # 49</b>				
		<b>5005</b>		
2024 - To record SBITA transactions on books.				
10 E --- 676 28----	SUBSCRIPTION-BASED IT AGREEMENT PRINCIPAL		175,784.00	
10 E --- 686 28----	SUBSCRIPTION-BASED IT AGREEMENT INTEREST		14,280.00	
10-480-220000-000	Instructional Staff Services - Non-Instructional Computer Software			190,064.00
<b>Total</b>			<b>190,064.00</b>	<b>190,064.00</b>
<b>Adjusting Journal Entries JE # 50</b>				
		<b>1501.10</b>		
2024 - Adjustment made per client subsequent to importing the trial balance.				
50-990-500000-000	REVENUES		35,000.00	
50-291-500000-000	REVENUES			35,000.00
<b>Total</b>			<b>35,000.00</b>	<b>35,000.00</b>
<b>Total Adjusting Journal Entries</b>			<b>853,776.00</b>	<b>853,776.00</b>
<b>Total All Journal Entries</b>			<b>853,776.00</b>	<b>853,776.00</b>

## **APPENDIX B**

Client: 0201753 - Wisconsin Rapids Public Schools  
Engagement: 24 Audit - Wisconsin Rapids Public Schools  
Trial Balance: Database  
Workpaper: 1504 - Adjustments Passed and Projected Errors

Account	Description	W/P Ref	Debit	Credit
<b>Proposed JE # 51</b>		<b>4304</b>		
2024 - Proposed adjustment for payroll liabilities.				
10-000-811631-000	Health Insurance		147,244.00	
10-241-250000-000	BUSINESS ADMIN			147,244.00
<b>Total</b>			<b>147,244.00</b>	<b>147,244.00</b>

## APPENDIX C



510 Peach Street ♦ Wisconsin Rapids, WI 54494 ♦ 715-424-6700

December 5, 2024

Hawkins Ash CPAs, LLP  
One East Waldo Blvd., Suite 5  
Manitowoc, WI 54220-2912

Dear Hawkins Ash CPAs, LLP,

This representation letter is provided in connection with your audit of the Wisconsin Rapids Public Schools as of June 30, 2024, and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, and results of operations, of the various opinion units of Wisconsin Rapids Public Schools in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, there is a substantial likelihood that, individually or in aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of December 5, 2024.

#### Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 3, 2024, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- 2) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 4) We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- 5) We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- 6) We have a process to track the status of audit findings and recommendations.
- 7) We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 8) The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures, are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of the applicable financial reporting framework.
- 9) All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 10) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- 11) We have reviewed and approved the various adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statements.
- 12) We are not aware of any pending or threatened litigation, claims, or assessments, or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance*

Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements (FASB Accounting Standards Codification 450, *Contingencies*), and we have not consulted a lawyer concerning litigation, claims, or assessments.

- 13) All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- 14) All funds and activities are properly classified.
- 15) All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- 16) All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- 17) Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- 18) All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 19) All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- 20) All interfund and intra-entity transactions and balances have been properly classified and reported.
- 21) Special items and extraordinary items have been properly classified and reported.
- 22) Deposit and investment risks have been properly and fully disclosed.
- 23) Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- 24) All required supplementary information is measured and presented within the prescribed guidelines.
- 25) With regard to investments and other instruments reported at fair value:
  - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
  - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
  - The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
  - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- 26) With respect to the nonattest services provided, we have performed the following:
  - Made all management decisions and performed all management functions;
  - Assigned a competent individual to oversee the services;
  - Evaluated the adequacy of the services performed;
  - Evaluated and accepted responsibility for the result of the service performed; and
  - Established and maintained internal controls, including monitoring ongoing activities.
- 27) With respect to the supplementary information accompanying the financial statements:
  - We acknowledge our responsibility for the presentation of the supplementary information with U.S. GAAP.
  - We believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP.
  - The methods of measurement or presentation have not changed from those used in the prior period.
  - We believe the significant assumptions or interpretations underlying the measurement or presentation of the supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.
  - When the supplementary information is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.

- We acknowledge our responsibility to include the auditors' report on the supplementary information in any document containing the supplementary information and that indicates the auditor reported on such supplementary information.
  - We acknowledge our responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditors' report thereon.
- 28) With respect to the required supplementary information accompanying the financial statements:
- We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP.
  - We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with U.S. GAAP.
  - The methods of measurement or presentation have not changed from those used in the prior period.
  - We believe the significant assumptions or interpretations underlying the measurement or presentation of the required supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

### Information Provided

- 29) We have provided you with:
- Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
  - Additional information that you have requested from us for the purpose of the audit; and
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
  - A written acknowledgement of all the documents that we expect to issue that will be included in the annual report, if applicable, and the planned timing and method of issuance of that annual report;
  - A final version of the annual report, if applicable, (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
- 30) The financial statements and any other information included in the annual report, if applicable, are consistent with one another, and the other information does not contain any material misstatements.
- 31) All transactions have been recorded in the accounting records and are reflected in the financial statements.
- 32) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 33) We have provided to you our analysis of the entity's ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management's plans, and our ability to achieve those plans.
- 34) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
- Management;
  - Employees who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the financial statements.
- 35) We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- 36) We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation, claims, or assessments.
- 37) We have disclosed to you the identity of all the entity's related parties and the nature of all the related party relationships and transactions of which we are aware.
- 38) There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- 39) The entity has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.

- 40) We have disclosed to you all guarantees, whether written or oral, under which the entity is contingently liable.
- 41) We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- 42) For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- 43) We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- 44) We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- 45) There are no:
  - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
  - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.
  - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- 46) The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- 47) We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 48) We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefit liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 49) We have provided to you our views on reported audit findings, conclusions, and recommendations, as well as planned corrective actions.


#### **Federal and State Award Programs**

- 50) We are responsible for understanding and complying with and have complied with the requirements of Title 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (the Uniform Guidance) and state regulatory audit requirements, including requirements relating to preparation of the schedule of expenditures of federal awards (SEFA) and schedule of state financial assistance (SSFA), or we acknowledge our responsibility for presenting the SEFA and SSFA in accordance with the requirements and we believe the SEFA and SSFA, including its form and content, is fairly presented in accordance with the Uniform Guidance and state regulatory requirements. The methods of measurement or presentation of the SEFA and SSFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA and SSFA.
- 51) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance and state regulatory requirements and included in the SEFA and SSFA made during the audit period for all awards provided by federal and state agencies in the form of grants, cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property),

cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.

- 52) We are responsible for understanding and complying with, and have complied with, the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal and state programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major program.
- 53) We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to federal and state programs that provides reasonable assurance that we are managing our federal and state awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal and state programs. We believe the internal control system is adequate and is functioning as intended.
- 54) We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal or state agencies or pass-through entities relevant to federal and state programs and related activities.
- 55) We have received no requests from a federal or state agency to audit one or more specific programs as a major program.
- 56) We have complied with the direct and material compliance requirements, including when applicable, those set forth in the *OMB Compliance Supplement* and state regulatory audit requirements relating to federal and state awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the requirements of federal and state awards.
- 57) We have disclosed any communications from grantors and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- 58) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- 59) Amounts claimed or used for matching were determined in accordance with relevant guidelines in the Uniform Guidance and state regulatory audit requirements.
- 60) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- 61) We have made available to you all documentation related to compliance with the direct material compliance requirements, including information related to federal and state program financial reports and claims for advances and reimbursements.
- 62) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- 63) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- 64) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies in internal control over compliance (including material weaknesses in internal control over compliance), subsequent to the date as of which compliance was audited.
- 65) Federal and state program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- 66) The copies of federal and state program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal and state agency or pass-through entity, as applicable.
- 67) We have charged costs to federal and state awards in accordance with applicable cost principles.
- 68) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance and state regulatory audit requirements and we have provided you with all information on the status of the follow-up on prior audit findings by federal and state awarding agencies and pass-through entities, including all management decisions.

- 69) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
- 70) We are responsible for preparing and implementing a corrective action plan for each audit finding.

  
\_\_\_\_\_  
Director of Business Services  
\_\_\_\_\_  
Superintendent