

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

**FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT**

JUNE 30, 2025

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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, 2025, 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, 2025, 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* (GAS), 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 issuance 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 GAS 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, 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

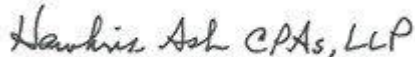
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Wisconsin Rapids Public Schools' basic financial statements. The combining and individual nonmajor fund financial statements, schedule of charter school authorizer operating costs, schedule 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2025 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 4, 2025

**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, 2025. 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 \$93,248,723; including \$24,504,987 of property taxes and \$53,387,662 of general state and federal aid. Total governmental activities expenditures were \$91,406,880; including \$42,915,601 for direct instruction.

The District's financial status, as reflected in total net position, increased by \$1,841,843.

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, 2025 compared to 2024. The District's combined net position increased by \$1,841,843. Specific causes of the increase are discussed later in this document.

Table 1 Condensed Statement of Net Position (in thousands of dollars)			
	Governmental Activities		Total % Change
	2025	2024	2024 - 2025
Current and other assets	\$ 33,450	\$ 35,289	-5.21%
Capital assets	116,429	118,621	-1.85%
Total assets	<u>149,879</u>	<u>153,910</u>	-2.62%
Deferred outflows of resources	<u>23,048</u>	<u>32,639</u>	-29.39%
Long-term liabilities			
outstanding	52,716	57,098	-7.67%
Other liabilities	<u>3,392</u>	<u>3,542</u>	-4.22%
Total liabilities	<u>56,108</u>	<u>60,640</u>	-7.47%
Deferred inflows of resources	<u>18,299</u>	<u>25,366</u>	-27.86%
Net position:			
Net investment in capital assets	93,100	87,753	6.09%
Restricted	8,241	10,660	-22.69%
Unrestricted	<u>(2,821)</u>	<u>2,130</u>	232.44%
Total net position	<u>\$ 98,520</u>	<u>\$ 100,543</u>	-2.01%
Note: Totals may not add due to rounding.			

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

	Governmental Activities		Total % Change
	2025	2024	2024 - 2025
Revenues			
Program revenues			
Charges for services	\$ 1,075	\$ 1,006	6.86%
Operating grants and contributions	8,518	8,944	-4.76%
General revenues			
Property taxes	24,505	24,256	1.03%
State and federal aid	53,388	53,222	0.31%
Other	5,764	6,064	-4.95%
Total revenues	<u>93,249</u>	<u>93,492</u>	-0.26%
Expenses			
Instruction	42,916	40,280	6.54%
Pupil and instructional services	9,995	10,196	-1.97%
Administration and business	25,415	23,254	9.29%
Interest on debt	477	923	-48.32%
Other	12,605	12,137	3.86%
Total expenses	<u>91,407</u>	<u>86,791</u>	5.32%
Increase in net position	<u>\$ 1,842</u>	<u>\$ 6,701</u>	-72.51%

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 84% 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)

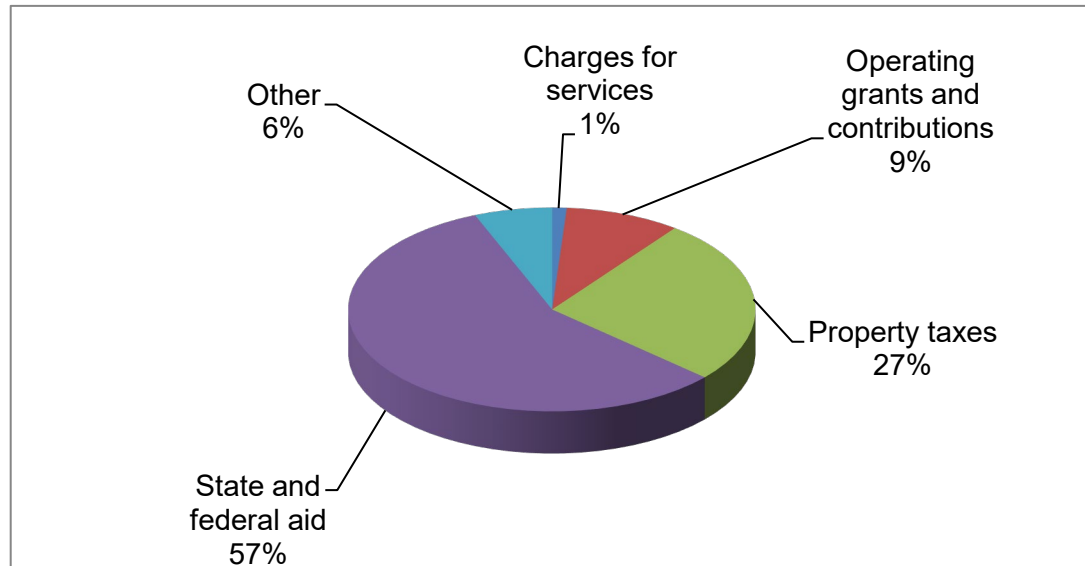
	Net Cost of Services		Total % change
	2025	2024	2024 - 2025
Instruction	\$ 37,527	\$ 34,480	8.84%
Pupil and instructional services	9,560	9,799	-2.44%
Administration and business	21,684	19,536	11.00%
Interest on debt	477	923	-48.32%
Other	12,567	12,102	3.84%
Total	<u>\$ 81,815</u>	<u>\$ 76,841</u>	6.47%

Note: Totals may not add due to rounding.

The cost of all governmental activities this year was \$91,406,880. Individuals who directly participated or benefited from a program offering paid for \$1,074,510 of the costs. Federal and state governments subsidized certain programs with grants and contributions of \$8,517,742. The net cost of governmental activities, \$81,814,628, was financed by general revenues of the District.

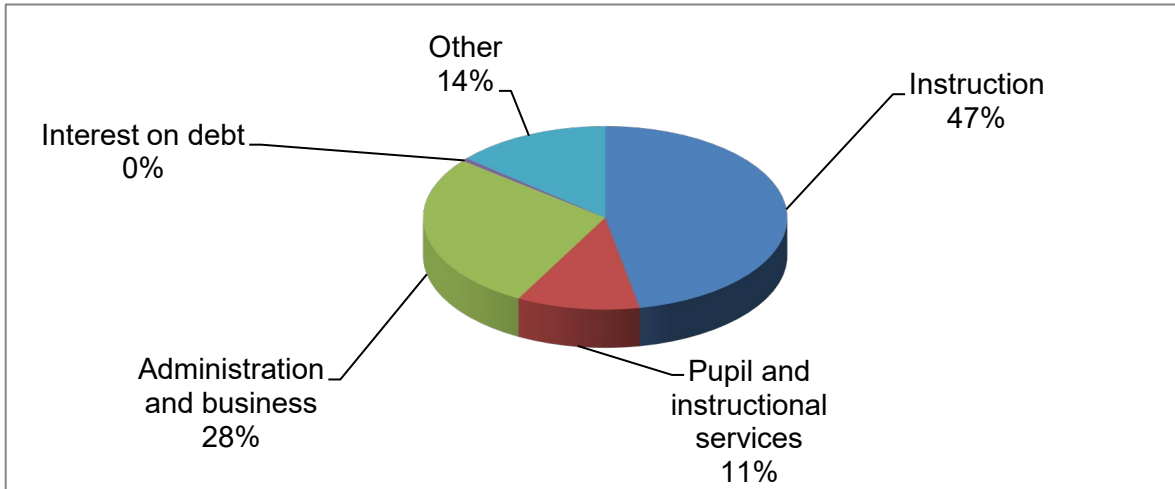
The composition of governmental revenues by source and expenditures by type are illustrated below.

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 \$30,125,812, a decrease from last year's ending fund balance of \$1,725,043.

The general fund had an increase in fund balance of \$537,877.

The non-referendum approved debt service fund had a decrease in fund balance of \$56,250.

The referendum approved debt service fund had a decrease of \$99,868. 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 \$193,883.

The other governmental funds had a fund balance decrease of \$2,300,685.

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 exceed revenues, the actual results for the year showed revenues exceeded expenditures by \$537,877.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2025, 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 \$88,153,281. Asset acquisitions for governmental activities totaled \$36,703,973. The District recognized depreciation/amortization expense of \$5,712,472 for governmental activities. Detailed information about capital assets can be found in the notes to the financial statements.

Table 4 Capital Assets <i>(net of depreciation, in thousands of dollars)</i>			
	Governmental Activities		Total % change
	2025	2024	2024 - 2025
Land	\$ 283	\$ 283	0.00%
Land improvements	6,047	2,855	111.80%
Buildings	176,135	176,135	0.00%
Equipment	19,899	19,455	2.28%
SBITA	499	490	1.84%
Construction in progress	1,720	2,321	-25.89%
Less: accumulated depreciation/amortization	(88,153)	(82,918)	6.31%
Total	<u>\$ 116,429</u>	<u>\$ 118,621</u>	-1.85%

Note: Totals may not add due to rounding.

Long-Term Debt

At year-end, the District had \$52,716,080 in notes payable and other long-term debt outstanding - a decrease of 7.7% from last year (see Table 5). Detailed information about the District's long-term liabilities is presented in the notes to the financial statements.

Table 5 Outstanding Long-Term Obligations <i>(in thousands of dollars)</i>			
	Governmental Activities		Total % change
	2025	2024	2024 - 2025
General obligation debt	\$ 20,830	\$ 27,845	-25.19%
Other	31,886	29,429	8.35%
Total	<u>\$ 52,716</u>	<u>\$ 57,098</u>	-7.67%

Note: Totals may not add due to rounding.

The District retired \$7,015,000 of bonds and notes payable during the year, decreased the OPEB healthcare liability by \$72,838, increased the Wisconsin Retirement System liability by \$168,215, and decreased the Wisconsin Retirement System LRLIF liability by \$892,333, which played a role in the total decreased debt amount of \$7,056,083.

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 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 may ask voters to exceed the revenue limit for an additional 5 years; however, school board approval needs to take place, and the dollar amount needs to be determined.

The District has been systematically growing its general fund balance with the long-term goal of increasing its financial stability. The District discontinued 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 2025-26 school year, and an additional \$325 is planned for the 2026-27 school year. Per-pupil categorical aid has been frozen since the 2019-20 school year. Revenue limit increases will not fully offset the inflationary pressures the District faces.

There is much uncertainty regarding the future of federal funds. In the 2025-26 school year, the district will receive an estimated 7.5 million dollars from the federal government. Some large federal programs are Title 1, Medicaid, Flow Through, and school lunch revenue for students in need. Employee compensation paid with these funds would need to be transitioned to other districts' non-grant funds, creating significant budgetary constraints for the current and future school years.

Since the 2019-20 school year, total revenue limit student FTE has decreased by 414.

As of the most recent third Friday headcount, the district had 194 students open enrollment (OE) in vs. 448 OE out for a net loss of 254 students. The District needs to maintain the quality of instruction and maintain the condition of its physical properties 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 and benefit pressures. The District's health plan continues to see substantial cost increases. These increases far exceed inflation. To help mitigate health insurance cost increases, the district contracted with Anovia to provide a near-site clinic for district staff and families. 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 6/30/24 was \$22,972,535. At that time, the trust held \$5,373,111 of assets with a funding ratio of 23.4%. 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, 2025

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and investments	\$ 25,433,116
Receivables	
Accounts	10,876
Taxes	5,960,153
Leases	96,978
Due from other governments	1,949,222
Capital assets (net of accumulated depreciation/amortization)	
Capital assets not being depreciated	2,002,550
Capital assets being depreciated	114,102,671
SBITA assets being amortized	323,879
TOTAL ASSETS	<u>149,879,445</u>
DEFERRED OUTFLOWS OF RESOURCES	
Wisconsin Retirement System pension	17,121,474
Wisconsin Retirement System LRLIF	1,281,766
OPEB healthcare	4,644,346
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>23,047,586</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>172,927,031</u>
LIABILITIES	
Accounts payable	196,583
Self insurance claims payable	164,129
Accrued liabilities	
Payroll, payroll taxes, insurance	2,810,483
Interest	163,989
Due to other governments	6,811
Unearned revenue	49,549
Current portion of long-term obligations	9,393,409
Noncurrent portion of long-term obligations	43,322,671
TOTAL LIABILITIES	<u>56,107,624</u>
DEFERRED INFLOWS OF RESOURCES	
Wisconsin Retirement System pension	9,171,843
Wisconsin Retirement System LRLIF	3,266,986
OPEB healthcare	5,748,134
Leases	112,312
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>18,299,275</u>
NET POSITION	
Net investment in capital assets	93,099,894
Restricted for	
Special revenue	1,224,106
Debt service	351,405
Capital projects	6,521,915
Other activities	143,407
Unrestricted	(2,820,595)
TOTAL NET POSITION	<u>98,520,132</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 172,927,031</u>

The accompanying notes are an integral part of these statements.

WISCONSIN RAPIDS PUBLIC SCHOOLS

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2025

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	\$ 26,308,635	\$ -	\$ -	\$ (26,308,635)
Vocational instruction	1,873,532	8,492	8,801	(1,856,239)
Special instruction	10,479,284	22,310	5,349,023	(5,107,951)
Other instruction	4,254,150	-	-	(4,254,150)
Total instruction	42,915,601	30,802	5,357,824	(37,526,975)
Support services				
Pupil services	5,529,187	-	-	(5,529,187)
Instructional staff services	4,465,494	214	434,744	(4,030,536)
General administration services	1,039,086	-	-	(1,039,086)
Building administration services	3,364,476	-	-	(3,364,476)
Business services	21,011,334	1,005,931	2,725,174	(17,280,229)
Central services	356,222	-	-	(356,222)
Insurance	444,692	-	-	(444,692)
Interest and other	476,751	-	-	(476,751)
Other support services	1,611,737	-	-	(1,611,737)
Community services	823,204	37,563	-	(785,641)
Total support services	39,122,183	1,043,708	3,159,918	(34,918,557)
Non-program transactions	9,369,096	-	-	(9,369,096)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 91,406,880	\$ 1,074,510	\$ 8,517,742	(81,814,628)

General revenues

Taxes	
Property taxes	24,504,987
State and federal aids not restricted to specific functions	53,387,662
Interest and investment earnings	1,203,796
Miscellaneous	4,560,026
Total general revenues	<u>83,656,471</u>

CHANGE IN NET POSITION	<u>1,841,843</u>
NET POSITION - BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	100,543,276
CHANGE IN ACCOUNTING PRINCIPLE	<u>(3,864,987)</u>
NET POSITION - BEGINNING OF YEAR, AS RESTATED	<u>96,678,289</u>
NET POSITION - END OF YEAR	<u>\$ 98,520,132</u>

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, 2025

	GENERAL FUND	DEBT SERVICE FUNDS NON-REFERENDUM	REFERENDUM APPROVED	LONG TERM CAPITAL IMPROVEMENT TRUST	TOTAL NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS						
Cash and investments	\$ 14,579,907	\$ 126,125	\$ 225,280	\$ 6,052,674	\$ 4,449,130	\$ 25,433,116
Receivables						
Accounts	1,249	-	-	-	9,627	10,876
Taxes	5,960,153	-	-	-	-	5,960,153
Due from other funds	18,579	-	-	-	-	18,579
Due from other governments	1,582,861	-	-	-	366,361	1,949,222
TOTAL ASSETS	22,142,749	126,125	225,280	6,052,674	4,825,118	33,371,946
LIABILITIES						
Accounts payable	192,287	-	-	-	4,296	196,583
Self insurance claims payable	164,129	-	-	-	-	164,129
Accrued payroll liabilities	2,783,347	-	-	-	27,136	2,810,483
Due to other funds	-	-	-	-	18,579	18,579
Due to other governments	6,811	-	-	-	-	6,811
Unearned revenue	-	-	-	-	49,549	49,549
TOTAL LIABILITIES	3,146,574	-	-	-	99,560	3,246,134
FUND BALANCES						
Restricted	143,407	126,125	225,280	6,052,674	1,693,347	8,240,833
Committed	18,852,768	-	-	-	141,900	18,994,668
Assigned	-	-	-	-	2,890,311	2,890,311
TOTAL FUND BALANCES	18,996,175	126,125	225,280	6,052,674	4,725,558	30,125,812
TOTAL LIABILITIES AND FUND BALANCES	\$ 22,142,749	\$ 126,125	\$ 225,280	\$ 6,052,674	\$ 4,825,118	

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	\$ 204,083,824	
Governmental accumulated depreciation	<u>(87,978,603)</u>	116,105,221
Governmental SBITA assets	\$ 498,557	
Governmental accumulated amortization	<u>(174,678)</u>	323,879
Lease receivable	\$ 96,978	
Lease deferred inflow	<u>(112,312)</u>	(15,334)

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: 5,964,411

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: (1,103,788)

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	\$ (20,830,000)	
Premium	(2,235,801)	
Capital leases	(173,167)	
SBITA payable	(90,238)	
Accrued interest	(163,989)	
Compensated absences	(4,090,480)	
WRS liability	(7,696,970)	
Net OPEB obligation	<u>(17,599,424)</u>	(52,880,069)

Total net position - governmental activities **\$ 98,520,132**

WISCONSIN RAPIDS PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	GENERAL FUND	DEBT SERVICE FUNDS NON-REFERENDUM	REFERENDUM APPROVED	LONG TERM CAPITAL IMPROVEMENT TRUST	TOTAL NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Property taxes	\$ 15,562,094	\$ 2,548,500	\$ 5,189,807	\$ -	\$ 1,204,586	\$ 24,504,987
Other local sources	1,230,897	-	18,659	276,482	1,168,327	2,694,365
Interdistrict sources	1,695,757	-	-	-	-	1,695,757
Intermediate sources	423,426	-	-	-	-	423,426
State sources	54,757,721	-	-	-	50,541	54,808,262
Federal sources	4,576,846	-	-	-	2,505,540	7,082,386
Other sources	163,156	-	-	-	1,881,872	2,045,028
TOTAL REVENUES	78,409,897	2,548,500	5,208,466	276,482	6,810,866	93,254,211
EXPENDITURES						
Current						
Instruction						
Regular instruction	24,311,144	-	-	-	986,408	25,297,552
Vocational instruction	1,797,944	-	-	-	7,411	1,805,355
Special instruction	10,383,573	-	-	-	-	10,383,573
Other instruction	3,255,629	-	-	-	734,814	3,990,443
Total instruction	39,748,290	-	-	-	1,728,633	41,476,923
Support services						
Pupil services	5,304,482	-	-	-	51,971	5,356,453
Instructional staff services	4,239,739	-	-	-	3,057	4,242,796
General administration services	1,000,076	-	-	-	-	1,000,076
Building administration services	3,262,016	-	-	-	-	3,262,016
Business services	11,124,895	-	-	265,378	4,434,977	15,825,250
Central services	387,740	-	-	-	9,128	396,868
Insurance	444,692	-	-	-	-	444,692
Other support services	1,580,315	-	-	-	-	1,580,315
Community services	-	-	-	-	812,873	812,873
Total support services	27,343,955	-	-	265,378	5,312,006	32,921,339
Non-program transactions	9,367,590	-	-	-	1,506	9,369,096
Debt service						
Principal	132,321	2,250,000	850,000	-	-	3,232,321
Interest	28,506	354,750	512,770	-	-	896,026
Other	-	-	14,848	-	-	14,848
Total debt service	160,827	2,604,750	1,377,618	-	-	4,143,195
Capital outlay	443,557	-	-	625,022	2,069,406	3,137,985
TOTAL EXPENDITURES	77,064,219	2,604,750	1,377,618	890,400	9,111,551	91,048,538
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,345,678	(56,250)	3,830,848	(613,918)	(2,300,685)	2,205,673
OTHER FINANCING (USES) SOURCES						
Net transfer (to) from other funds	(807,801)	-	-	807,801	-	-
Payment to refunded bond escrow agent	-	-	(3,930,716)	-	-	(3,930,716)
TOTAL OTHER FINANCING (USES) SOURCES	(807,801)	-	(3,930,716)	807,801	-	(3,930,716)
NET CHANGE IN FUND BALANCE	537,877	(56,250)	(99,868)	193,883	(2,300,685)	(1,725,043)
FUND BALANCE - BEGINNING OF YEAR	18,458,298	182,375	325,148	5,858,791	7,026,243	31,850,855
FUND BALANCE - END OF YEAR	\$ 18,996,175	\$ 126,125	\$ 225,280	\$ 6,052,674	\$ 4,725,558	\$ 30,125,812

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, 2025**

Net change in fund balances - total governmental funds \$ (1,725,043)

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	\$ 3,137,985	
Capital outlay reported as other expenses in fund statements	382,768	
Depreciation expense reported in the statement of activities	(5,544,254)	
Amortization expense of SBITA assets in the statement of activities	<u>(168,218)</u>	
Amount by which capital outlays are less than depreciation in the current period:		(2,191,719)

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:	(88,838)
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Lease deferred inflows of resources changes:	(5,488)
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Wisconsin Retirement System pension asset, deferred outflows of resources, liability, and deferred inflows of resources changes:	(1,575,054)
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Wisconsin Retirement System LRLIF, deferred outflows of resources, liability, and deferred inflows of resources changes:	(176,764)
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OPEB healthcare deferred outflows of resources, liability, and deferred inflows of resources changes:	7,589
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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:	7,147,321
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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	\$ 926,590	
Amount of interest and other debt costs accrued during the current period is	<u>(476,751)</u>	
Interest paid is greater than interest accrued by:		<u>449,839</u>

Change in net position - governmental activities	\$ <u>1,841,843</u>
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The accompanying notes are an integral part of these statements.

WISCONSIN RAPIDS PUBLIC SCHOOLS

STATEMENT OF NET POSITION

FIDUCIARY FUND

JUNE 30, 2025

	PENSION (OTHER EMPLOYEE BENEFIT) TRUST FUND EMPLOYEE BENEFIT
ASSETS	
Cash and investments	\$ 6,067,292
TOTAL ASSETS	6,067,292
LIABILITIES	
Due to other funds	-
TOTAL LIABILITIES	-
NET POSITION	
Restricted for	
Postemployment benefits other than pensions	6,067,292
TOTAL NET POSITION	6,067,292
TOTAL LIABILITIES AND NET POSITION	\$ 6,067,292

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, 2025

	PENSION (OTHER EMPLOYEE BENEFIT) TRUST FUND
	<u>EMPLOYEE BENEFIT</u>
ADDITIONS	
Investment income	\$ 150,118
Contributions	<u>2,306,057</u>
TOTAL ADDITIONS	<u>2,456,175</u>
DEDUCTIONS	
Disbursements	<u>1,761,994</u>
TOTAL DEDUCTIONS	<u>1,761,994</u>
CHANGE IN NET POSITION	694,181
NET POSITION - BEGINNING OF THE YEAR	<u>5,373,111</u>
NET POSITION - END OF THE YEAR	<u>\$ 6,067,292</u>

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, 2025

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, 2025

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 Trust 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.

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

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 1 - Summary of Significant Accounting Policies - Continued

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 2024 tax levy is used to finance operations of the District's fiscal year ended June 30, 2025. 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.

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

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 1 - Summary of Significant Accounting Policies - Continued

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

Leases - The District is a lessee because it leases capital assets from other entities. The lease liability is measured using the present value of payments to be made during the lease term. The corresponding intangible right-to-use capital asset is amortized over the shorter of the lease term or the useful life.

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 - Vacation and sick leave policies provide paid time off in varying amounts. Benefits considered more likely than not to be used or settled at separation are recognized as a liability. The liability is reported in the government-wide financial statements. A liability for these amounts is reported in the government funds only if the liability has matured as a result of employee terminations, resignations or retirements. The liability includes salary related benefits where applicable.

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

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 1 - Summary of Significant Accounting Policies - Continued

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.

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.

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 1 - Summary of Significant Accounting Policies - Continued

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, 2025, 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	\$19,628,860
Wisconsin Investment Series Cooperative	Less than one year	5,288,462
Employee benefit trust investment	Less than one year	<u>5,408,893</u>
		<u>\$30,326,215</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, 2025, the Pool's fair value was 100 percent of book value.

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:

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 2 - Cash and Investments - Continued

- 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).
- 3) Employee benefit trust investment fair value is determined monthly by the Pool's investment board 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, 2025, \$2,080,780 of the District's bank balance of \$3,583,148 was exposed to custodial credit risk as uninsured collateral pledged by the bank in the District's name. Zero was uninsured and uncollateralized.

NOTE 3 - Capital Assets

Capital asset balances and activity for the year ended June 30, 2025 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 282,908	\$ -	\$ -	\$ 282,908
Construction in progress	2,320,531	1,067,609	(1,668,498)	1,719,642
Total capital assets not being depreciated	2,603,439	1,067,609	(1,668,498)	2,002,550
Capital assets being depreciated:				
Land improvements	2,854,628	3,401,728	(209,218)	6,047,138
Buildings and improvements	176,135,183	-	-	176,135,183
Equipment	19,455,322	512,509	(68,878)	19,898,953
Total capital assets being depreciated	198,445,133	3,914,237	(278,096)	202,081,274

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 3 - Capital Assets - Continued

Less accumulated depreciation for:

Land improvements	(2,721,414)	(192,789)	209,218	(2,704,985)
Buildings and improvements	(72,817,041)	(3,829,804)	-	(76,646,845)
Equipment	(7,173,990)	(1,521,661)	68,878	(8,626,773)
Total accumulated depreciation	<u>(82,712,445)</u>	<u>(5,544,254)</u>	<u>278,096</u>	<u>(87,978,603)</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>115,732,688</u>	<u>(1,630,017)</u>	<u>-</u>	<u>114,102,671</u>

Capital assets, net of accumulated depreciation	<u>\$ 118,336,127</u>	<u>\$ (562,408)</u>	<u>\$ (1,668,498)</u>	<u>\$ 116,105,221</u>
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Depreciation expense was charged to governmental functions as follows:

Regular instruction	\$ 321,673
Vocational instruction	19,442
Special education instruction	2,082
Other instruction	2,321
Instructional staff services	62,336
General administration services	19,496
Business services	5,085,972
Pupil transportation	9,110
Central services	13,456
Community services	8,366
	<u>\$ 5,544,254</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets being amortized:				
SBITA asset	<u>\$ 490,134</u>	<u>\$ 207,405</u>	<u>\$ (198,982)</u>	<u>\$ 498,557</u>
Total capital assets being amortized	<u>490,134</u>	<u>207,405</u>	<u>(198,982)</u>	<u>498,557</u>
Less accumulated amortization for:				
SBITA asset	<u>(205,442)</u>	<u>(168,218)</u>	<u>198,982</u>	<u>(174,678)</u>
Total accumulated amortization	<u>(205,442)</u>	<u>(168,218)</u>	<u>198,982</u>	<u>(174,678)</u>
Total capital assets being amortized, net of accumulated amortization	<u>284,692</u>	<u>39,187</u>	<u>-</u>	<u>323,879</u>
Capital assets, net of accumulated amortization	<u>\$ 284,692</u>	<u>\$ 39,187</u>	<u>\$ -</u>	<u>\$ 323,879</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	\$ 168,218
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WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 4 - Long-Term Liabilities

Long-term obligations are as follows:

	Beginning			Ending	Amounts
	Balance	Increases	Decreases	Balance	Due Within
					One Year
Bonds payable	\$ 27,845,000	\$ -	\$ (7,015,000)	\$ 20,830,000	\$ 3,110,000
Leases - direct placement	221,016	-	(47,849)	173,167	52,480
SBITAs	174,710	-	(84,472)	90,238	90,238
Premium	2,627,402	-	(391,601)	2,235,801	391,601
Compensated absences - vacation	136,655	51,134	-	187,789	178,399
Compensated absences - sick	3,864,987	37,704	-	3,902,691	3,902,691
Wisconsin Retirement System					
Net pension liability	2,972,602	168,215	-	3,140,817	-
LRLIF	5,448,486	-	(892,333)	4,556,153	-
OPEB healthcare	<u>17,672,262</u>	<u>1,688,751</u>	<u>(1,761,589)</u>	<u>17,599,424</u>	<u>1,668,000</u>
Total	<u>\$ 60,963,120</u>	<u>\$ 1,945,804</u>	<u>\$ (10,192,844)</u>	<u>\$ 52,716,080</u>	<u>\$ 9,393,409</u>

Interest cost incurred during the year totaled \$461,903 and total interest paid during the year aggregated \$911,742 including \$21,388 for leases.

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, 2025 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	5%	4/1/27	\$ 4,845,000
Bonds	8/2/21	1.6-5%	4/1/41	<u>15,985,000</u>
Total				<u>\$ 20,830,000</u>

General Obligation Debt Limit Calculation - The 2025 equalized valuation of the District as certified by the Wisconsin Department of Revenue is \$3,625,188,770. The legal debt limit and margin of indebtedness as of June 30, 2025, in accordance with Section 67.03(1)(b) of the Wisconsin Statutes, follows:

Debt limit (10 percent of \$3,625,188,770)	\$ 362,518,877
Applicable long-term debt	(20,830,000)
Amount available in debt service fund	<u>225,280</u>
Margin of indebtedness	<u>\$ 341,914,157</u>

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 4 - Long-Term Liabilities - Continued

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

Year Ending June 30	Bonds		Leases - Direct Placement		Total
	Principal	Interest	Principal	Interest	
2026	\$ 3,110,000	\$ 639,200	\$ 52,480	\$ 16,758	\$ 3,818,438
2027	3,235,000	483,700	57,558	11,679	3,787,938
2028	750,000	321,950	63,128	6,109	1,141,188
2029	750,000	284,450	-	-	1,034,450
2030	750,000	261,950	-	-	1,011,950
2031-2035	5,220,000	1,063,000	-	-	6,283,000
2036-2039	7,015,000	304,400	-	-	7,319,400
	<u>\$ 20,830,000</u>	<u>\$ 3,358,650</u>	<u>\$ 173,167</u>	<u>\$ 34,546</u>	<u>\$ 24,396,363</u>

Cash Defeasance - The District defeased \$3,915,000 of outstanding 2021 refunding bonds by depositing \$3,930,716 with an escrow agent to reduce future debt service payments. The transaction resulted in an economic gain of \$547,156 and a reduction of \$4,456,060 in future debt service payments.

Defeased Debt - The District defeased general obligation debt by depositing money in an irrevocable trust account for 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. At June 30, 2025, \$14,245,000 of defeased debt remains outstanding.

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

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 5 - Wisconsin Retirement System - Continued

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:

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
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)
2024	3.6	15

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

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 5 - Wisconsin Retirement System - Continued

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 \$2,676,618 in contributions from the employer.

Contribution rates as of December 31, 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%
Act 4 Protective County Jailers	14.30%	6.90%

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

At June 30, 2025, the District reported a liability (asset) of \$3,140,817 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2023 rolled forward to December 31, 2024. 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, 2024, the District's proportion was .1911443%, which was a decrease of .00878781% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized pension expense (revenue) of \$4,251,214.

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,753,956	\$ 9,165,660
Net differences between projected and actual earnings on pension plan investments	4,772,638	-
Changes in assumptions	931,941	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	81,159	6,183
Employer contributions subsequent to the measurement date	1,581,780	-
Total	\$ 17,121,474	\$ 9,171,843

\$1,581,780 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, 2026. Other amounts reported as deferred

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 5 - Wisconsin Retirement System - Continued

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
2026	\$ 1,923,945
2027	6,532,816
2028	(1,595,681)
2029	(493,229)
Thereafter	-

Actuarial Assumptions - The total pension liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2023
Measurement Date of Net Pension Liability (Asset):	December 31, 2024
Experience Study:	January 1, 2021 - December 31, 2023 Published November 19, 2024
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% - 5.7%
Mortality:	2020 WRS Experience Mortality Table
Post-retirement Adjustments:*	1.7%

** 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. Includes the impact of known market recognition account deferred gains/losses on the liability for dividend payments.*

Actuarial assumptions are based upon an experience study conducted in 2024 that covered a three-year period from January 1, 2021 to December 31, 2023. Based on this experience study, actuarial assumptions used to measure the total pension liability changed from prior year, including seniority (merit) and separation rates. The total pension liability for December 31, 2024 is based upon a roll-forward of the liability calculated from the December 31, 2023 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:

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 5 - Wisconsin Retirement System - Continued

Asset Allocation Targets and Expected Returns
As of December 31, 2024

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Public Equity	38	7	4.3
Public Fixed Income	27	6.1	3.4
Inflation Sensitive Assets	20	9.5	6.7
Real Estate	19	4.8	2.1
Private Equity/Debt	8	6.5	3.8
Leverage	(12)	3.7	1.1
Total Core Fund	100	7.5	4.8
Variable Fund Asset Class			
U.S. Equities	70	6.5	3.8
International Equities	30	7.4	4.7
Total Variable Fund	100	6.9	4.2

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 2.6%.

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 4.08% (Source: "20-Bond GO Index" is the Bond Buyer Index, general obligation, 20 years to maturity, mixed quality as of December 31, 2024. In describing this index, the Bond Buyer notes that the bonds' average quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard and Poor's Corp.'s AA.). 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 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 one percentage point lower (5.8 percent) or one percentage point higher (7.8 percent) than the current discount rate:

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 5 - Wisconsin Retirement System - Continued

	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)	\$ 29,464,966	\$ 3,140,817	\$ (15,561,735)

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 \$834,787 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2025.

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, 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 December 31, 2024 are:

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

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

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

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2024 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 \$25,030 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, 2025, the District reported a liability (asset) of \$4,556,153 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2024, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2024 rolled forward to December 31, 2024. 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, 2024, the District's proportion was 1.164584%, which was an decrease of .019701% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized OPEB expense (revenue) of \$201,505.

At June 30, 2025, 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	\$ -	\$ 474,000
Net differences between projected and actual earnings on OPEB plan investments	62,567	-
Changes in assumptions	1,117,950	2,555,451
Changes in proportion and differences between employer contributions and proportionate share of contributions	88,830	237,535
Employer contributions subsequent to the measurement date	12,419	-
Total	\$ 1,281,766	\$ 3,266,986

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

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

\$12,419 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, 2026. 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
2026	\$ (179,370)
2027	(382,941)
2028	(556,330)
2029	(553,790)
Thereafter	(325,208)

Actuarial Assumptions - The total OPEB liability in the January 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2024
Measurement Date of Net OPEB Liability (Asset):	December 31, 2024
WRS Experience Study:	January 1, 2021-December 31, 2023 Published November 19, 2024
Actuarial Cost Method:	Entry Age Normal
20 Year Tax Exempt Municipal Bond Yield*:	4.08%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	4.09%
Salary Increases:	
Wage Inflation	3%
Seniority/Merit	.1% - 5.7%
Mortality:	2020 WRS Experience Mortality Table

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

Actuarial assumptions are based upon an experience study conducted in 2024 that covered a three-year period from January 1, 2021 to December 31, 2023. The total OPEB liability for December 31, 2024 is based upon a roll-forward of the liability calculated from the January 1, 2024 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.

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

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

Local OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2024

Asset Class	Index	Target Allocation %	Long-Term Expected Geometric Real Rate of Return %
US Intermediate Credit Bonds	Bloomberg US Intern Credit	40	2.41
US Mortgages	Bloomberg US MBS	60	2.71
Inflation			2.3
Long-term Expected Rate of Return			4.25

Single Discount Rate - A single discount rate of 4.09% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 3.32% for the prior year. The change in the discount rate was primarily caused by the increase in the municipal bond rate from 3.26% as of December 31, 2023 to 4.08% as of December 31, 2024. 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, 2037.

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.

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 4.09 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 (3.09 percent) or 1-percentage-point higher (5.09 percent) than the current rate:

	1% Decrease to Discount Rate (3.09%)	Current Discount Rate (4.09%)	1% Increase to Discount Rate (5.09%)
District's proportionate share of the net OPEB liability (asset)	\$ 6,089,936	\$ 4,556,153	\$ 3,374,234

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, 2025.

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 7 - Interfund Balance and Activity

Interfund receivable and payable balances on June 30, 2025, are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Indian education	\$ 18,579

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, 2025 were as follows:

<u>Transfer from</u>	<u>Transfer to</u>	<u>Amount</u>
General	Long-term capital improvement	\$ 807,801

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 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.

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 8 - Post Employment Benefits Other Than Pensions - Continued

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, 2024 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, 2025, contribution rates for Plan members were \$154 - \$1,155 per participant per month and \$870 - \$1,946 from the District, depending on the type of retiree plan. Plan members receiving benefits contributed \$237,241 and the District contributed \$1,668,000 to the plan.

Actuarial Assumptions - The net OPEB healthcare liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	June 30, 2023
Measurement Date:	June 30, 2024
Actuarial Cost Method:	Entry Age Normal - Level %
Amortization Period:	30 years
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	4.25%
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, 2024.

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

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 8 - Post Employment Benefits Other Than Pensions - Continued

The OPEB liability for June 30, 2025 is based upon an update of the liability calculated from the June 30, 2023 actuarial valuation. There were no material changes in assumptions or benefit terms which occurred between the actuarial valuation date and the measurement date.

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%).

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	\$ 22,170,567	\$ 4,498,305	\$ 17,672,262
Changes for the year:			
Service cost	1,178,139	-	1,178,139
Interest	940,198	-	940,198
Differences between expected and actual experience	(41,707)	-	(41,707)
Contributions - employer	-	1,761,589	(1,761,589)
Net investment income	-	387,879	(387,879)
Benefit payments	(1,274,662)	(1,274,662)	-
Net changes	801,968	874,806	(72,838)
Ending balance	\$ 22,972,535	\$ 5,373,111	\$ 17,599,424

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	\$ 15,739,297	\$ 17,599,424	\$ 19,751,125

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:

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 8 - Post Employment Benefits Other Than Pensions - Continued

	1% Decrease to Discount Rate (3.25%)	Current Discount Rate (4.25%)	1% Increase to Discount Rate (5.25%)
Net OPEB healthcare liability	\$ 19,121,360	\$ 17,599,424	\$ 16,150,284

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

For the year ended June 30, 2025, the District recognized OPEB healthcare expense (revenue) of \$1,660,411.

At June 30, 2025, 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	\$ 48,611	\$ 2,856,551
Net differences between projected and actual earnings on pension plan investments	66,066	-
Changes in assumptions	2,861,669	2,891,583
Employer contributions subsequent to the measurement date	1,668,000	-
Total	\$ 4,644,346	\$ 5,748,134

\$1,668,000 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, 2026. 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
2026	\$ (270,824)
2027	(277,295)
2028	(378,207)
2029	(379,310)
2030	(395,210)
Thereafter	(1,070,942)

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, 2025.

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

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		
General	School based mental health grant	\$ 143,407
Non-referendum approved debt service	Principal and interest	\$ 126,125
Referendum approved debt service	Principal and interest	\$ 225,280
Food service	DPI regulation	\$ 1,224,106
Long-term capital improvement trust	DPI regulation	\$ 6,052,674
Other capital projects	DPI regulation	\$ 469,241
Committed		
General	Specific expenses	\$ 18,852,768
Special revenue trust	Donor specific expenses	\$ 141,900
Assigned		
Community service	Specific expenses	\$ 1,780,747
Special revenue trust student activity	Donor specific expenses	\$ 1,109,564
<u>Governmental Activities</u>		
Restricted		
Special revenue	Donor specific expenses and DPI regulation	\$ 1,224,106
Debt service	Principal and interest	\$ 351,405
Capital projects	DPI regulation	\$ 6,521,915

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 2025-2026. Expected local district net costs are \$394,837.

The District has transportation agreements through 2030. Rates are negotiated in June each year for the next fiscal year. It is expected that the cost for 2025-2026 will exceed \$3,108,942.

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

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 11 - Commitments and Contingencies - Continued

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.

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 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 dental care for the current and prior year.

	Year Ended <u>June 30, 2025</u>	Year Ended <u>June 30, 2024</u>
Beginning liability balance	\$ 165,086	\$ 160,258
Claims and changes in estimates	531,220	561,078
Claim payments	<u>(532,177)</u>	<u>(556,250)</u>
Ending liability balance	<u>\$ 164,129</u>	<u>\$ 165,086</u>

Claim payments are principally funded through charges to employees, which are paid through payroll deductions, and employer contributions to the 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 \$4,854 of interest revenue under the

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2025

NOTE 14 - Leases - Continued

lease for the year ended June 30, 2025. The lease receivable and deferred inflows of resources related to the lease are \$96,978 and \$112,312, respectively, as of June 30, 2025.

NOTE 15 - Change in Accounting Principle

The District adopted Governmental Accounting Standards Board Statement No. 101 Compensated Absences.

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balance	
	Government-Wide	
	Governmental Activities	
June 30, 2024, as previously reported	\$	100,543,276
Change in accounting principle		(3,864,987)
June 30, 2024, as restated	\$	96,678,289

**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, 2025

	ORIGINAL BUDGETED AMOUNTS			FINAL BUDGETED AMOUNTS			ACTUAL AMOUNTS			FINAL BUDGET POSITIVE (NEGATIVE)
	GENERAL	SPECIAL EDUCATION	TOTAL	GENERAL	SPECIAL EDUCATION	TOTAL	GENERAL	SPECIAL EDUCATION	TOTAL	
REVENUES										
Property taxes	\$ 15,563,847	\$ -	\$ 15,563,847	\$ 15,563,847	\$ -	\$ 15,563,847	\$ 15,562,094	\$ -	\$ 15,562,094	\$ (1,753)
Other local sources	1,029,650	-	1,029,650	1,194,644	-	1,194,644	1,230,897	-	1,230,897	36,253
Interdistrict sources	1,731,275	22,000	1,753,275	1,731,275	22,000	1,753,275	1,673,447	22,310	1,695,757	(57,518)
Intermediate sources	356,061	-	356,061	446,442	-	446,442	423,426	-	423,426	(23,016)
State sources	50,775,851	4,000,889	54,776,740	50,957,243	4,000,889	54,958,132	50,901,165	3,856,556	54,757,721	(200,411)
Federal sources	3,915,089	1,721,014	5,636,103	4,066,240	1,721,014	5,787,254	3,084,379	1,492,467	4,576,846	(1,210,408)
Other sources	108,100	-	108,100	108,100	-	108,100	163,156	-	163,156	55,056
TOTAL REVENUES	73,479,873	5,743,903	79,223,776	74,067,791	5,743,903	79,811,694	73,038,564	5,371,333	78,409,897	(1,401,797)
EXPENDITURES										
Current										
Instruction										
Regular instruction	25,263,332	-	25,263,332	25,268,153	-	25,268,153	24,311,144	-	24,311,144	957,009
Vocational instruction	1,737,361	-	1,737,361	1,817,225	-	1,817,225	1,797,944	-	1,797,944	19,281
Special instruction	-	10,658,584	10,658,584	-	10,752,325	10,752,325	-	10,383,573	10,383,573	368,752
Other instruction	3,317,417	-	3,317,417	3,374,922	-	3,374,922	3,255,629	-	3,255,629	119,293
Total instruction	30,318,110	10,658,584	40,976,694	30,460,300	10,752,325	41,212,625	29,364,717	10,383,573	39,748,290	1,464,335
Support services										
Pupil services	3,706,802	2,064,008	5,770,810	3,693,763	1,969,278	5,663,041	3,366,261	1,938,221	5,304,482	358,559
Instructional staff services	4,042,889	522,003	4,564,892	4,321,736	545,390	4,867,126	3,705,380	534,359	4,239,739	627,387
General administration services	982,526	-	982,526	986,110	-	986,110	1,000,076	-	1,000,076	(13,966)
Building administration services	3,319,660	-	3,319,660	3,328,505	-	3,328,505	3,262,016	-	3,262,016	66,489
Business services	10,598,346	802,668	11,401,014	10,640,299	802,118	11,442,417	10,399,219	725,676	11,124,895	317,522
Central services	461,700	9,250	470,950	480,298	14,340	494,638	378,167	9,573	387,740	106,898
Insurance	437,000	-	437,000	437,000	-	437,000	444,692	-	444,692	(7,692)
Other support services	2,058,953	-	2,058,953	1,774,453	-	1,774,453	1,580,315	-	1,580,315	194,138
Total support services	25,607,876	3,397,929	29,005,805	25,662,164	3,331,126	28,993,290	24,136,126	3,207,829	27,343,955	1,649,335
Non-program transactions	8,872,386	503,382	9,375,768	9,002,061	476,444	9,478,505	8,948,203	419,387	9,367,590	110,915
Debt service										
Principal	47,850	-	47,850	47,850	-	47,850	132,321	-	132,321	(84,471)
Interest	21,389	-	21,389	21,389	-	21,389	28,506	-	28,506	(7,117)
Total debt service	69,239	-	69,239	69,239	-	69,239	160,827	-	160,827	(91,588)
Capital outlay	691,562	-	691,562	450,117	-	450,117	443,557	-	443,557	6,560
TOTAL EXPENDITURES	65,559,173	14,559,895	80,119,068	65,643,881	14,559,895	80,203,776	63,053,430	14,010,789	77,064,219	3,139,557
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	7,920,700	(8,815,992)	(895,292)	8,423,910	(8,815,992)	(392,082)	9,985,134	(8,639,456)	1,345,678	1,737,760
OTHER FINANCING SOURCES (USES)										
Transfer (to) / from other funds	(8,926,992)	8,815,992	(111,000)	(9,125,563)	8,815,992	(309,571)	(9,447,257)	8,639,456	(807,801)	(498,230)
Sale of capital assets	50	-	50	50	-	50	-	-	-	(50)
TOTAL OTHER FINANCING SOURCES (USES)	(8,926,942)	8,815,992	(110,950)	(9,125,513)	8,815,992	(309,521)	(9,447,257)	8,639,456	(807,801)	(498,280)
NET CHANGE IN FUND BALANCE	(1,006,242)	-	(1,006,242)	(701,603)	-	(701,603)	537,877	-	537,877	1,239,480
FUND BALANCE - BEGINNING OF YEAR	18,458,298	-	18,458,298	18,458,298	-	18,458,298	18,458,298	-	18,458,298	-
FUND BALANCE - END OF YEAR	\$ 17,452,056	\$ -	\$ 17,452,056	\$ 17,756,695	\$ -	\$ 17,756,695	\$ 18,996,175	\$ -	\$ 18,996,175	\$ 1,239,480

WISCONSIN RAPIDS PUBLIC SCHOOLS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
ON BUDGETARY ACCOUNTING AND CONTROL
JUNE 30, 2025

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	\$	13,966
General/Special Education	Insurance		7,692
General/Special Education	Principal		84,471
General/Special Education	Interest		7,117
General/Special Education	Transfer to other funds		498,230

WISCONSIN RAPIDS PUBLIC SCHOOLS
WISCONSIN RETIREMENT SYSTEM PENSION SCHEDULES
YEAR ENDED JUNE 30, 2025

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)
2024	0.19114430%	\$ 3,140,817	\$ 38,441,750	8.17%	98.79%
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%

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

District Fiscal Year End	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 2,674,618	\$ (2,674,618)	\$ -	\$ 38,597,658	6.93%
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%

* 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, 2025

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, 2025

Notes to Required Supplementary Information for the Year Ended June 30, 2025 - Continued

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

	2024	2023	2022	2021	2020
Valuation Date:	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
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%	5.4%
Weighted based on assumed rate for:					
Pre-retirement:	6.8%	6.8%	7.0%	7.0%	7.0%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.0%	3.0%	3.0%	3.0%	3.0%
Seniority/Merit:	0.1% - 5.7%	0.1% - 5.6%	0.1% - 5.6%	0.1% - 5.6%	0.1% - 5.6%
Post Retirement Benefit Adjustments	1.7%	1.7%	1.9%	1.9%	1.9%
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 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.
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	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%).

* 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, 2025

Notes to Required Supplementary Information for the Year Ended June 30, 2025 - Continued

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

	2019	2018	2017	2016	2015
Valuation Date:	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013
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 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.
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 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.

* 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, 2025

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)
2024	1.16458400%	\$ 4,556,153	\$ 29,747,000	15.32%	37.20%
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	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 25,030	\$ (25,030)	\$ -	\$ 30,555,000	0.08%
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, 2025

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, 2025

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

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Healthcare Liability								
Service cost	\$ 1,178,139	\$ 1,008,974	\$ 960,928	\$ 1,739,799	\$ 1,378,824	\$ 1,350,658	\$ 1,386,079	\$ 1,309,691
Interest	940,198	1,017,501	973,675	591,956	811,528	602,851	594,205	565,603
Differences between expected and actual experience	(41,707)	(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	(1,274,662)	(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	801,968	1,789,050	775,504	(6,442,960)	2,778,538	1,535,911	1,045,987	998,309
Total OPEB Healthcare Liability - Beginning	22,170,567	20,381,517	19,606,013	26,048,973	23,270,435	21,734,524	20,688,537	19,690,228
Total OPEB Healthcare Liability - Ending (a)	\$ 22,972,535	\$ 22,170,567	\$ 20,381,517	\$ 19,606,013	\$ 26,048,973	\$ 23,270,435	\$ 21,734,524	\$ 20,688,537
Plan Fiduciary Net Position								
Contributions - employer	\$ 1,761,589	\$ 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)	387,879	173,125	(348,466)	25,673	5,941	10,800	4,251	38,297
Benefit payments	(1,274,662)	(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	874,806	1,447,222	198,329	521,903	195,486	177,882	67,088	179,498
Plan Fiduciary Net Position - Beginning	4,498,305	3,051,083	2,852,754	2,330,851	2,135,365	1,957,483	1,890,395	1,710,897
Plan Fiduciary Net Position - Ending (b)	\$ 5,373,111	\$ 4,498,305	\$ 3,051,083	\$ 2,852,754	\$ 2,330,851	\$ 2,135,365	\$ 1,957,483	\$ 1,890,395
Net OPEB Healthcare Liability - Ending (a) - (b)	\$ 17,599,424	\$ 17,672,262	\$ 17,330,434	\$ 16,753,259	\$ 23,718,122	\$ 21,135,070	\$ 19,777,041	\$ 18,798,142
Plan fiduciary net position as a percentage of the total OPEB Healthcare Liability	23.39%	20.29%	14.97%	14.55%	8.95%	9.18%	9.01%	9.14%
Covered payroll	\$ 36,649,792	\$ 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	48.02%	48.22%	51.48%	49.76%	73.40%	65.41%	76.36%	72.58%

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contributions	\$ 1,955,731	\$ 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	(1,761,589)	(2,346,074)	(1,772,736)	(1,715,669)	(1,736,204)	(1,143,111)	(1,255,363)	(1,958,749)
Contribution deficiency (excess)	\$ 194,142	\$ -	\$ 553	\$ 559,186	\$ 472,393	\$ 855,151	\$ 684,697	\$ (121,752)
Covered payroll	\$ 36,649,792	\$ 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	4.81%	6.40%	5.27%	5.10%	5.37%	3.54%	4.85%	7.56%
Actuarial valuation date	6/30/2023	6/30/2023	6/30/2021	6/30/2021	6/30/2019	6/30/2019	6/30/2017	6/30/2017
Measurement date	6/30/2024	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 preceding years.

Notes to Required Supplementary Information for the Year Ended June 30, 2025

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, 2025

	SPECIAL REVENUE FUNDS					OTHER	TOTAL
	SPECIAL	SPECIAL	INDIAN	FOOD	COMMUNITY	CAPITAL	NONMAJOR
	REVENUE TRUST	REVENUE TRUST	EDUCATION	SERVICE	SERVICE	PROJECTS	GOVERNMENTAL
		STUDENT ACTIVITY					FUNDS
ASSETS							
Cash and investments	\$ 132,273	\$ 1,113,860	\$ -	\$ 944,565	\$ 1,789,191	\$ 469,241	\$ 4,449,130
Receivables							
Accounts	9,627	-	-	-	-	-	9,627
Due from other governments	-	-	18,579	347,782	-	-	366,361
TOTAL ASSETS	141,900	1,113,860	18,579	1,292,347	1,789,191	469,241	4,825,118
LIABILITIES							
Accounts payable	-	4,296	-	-	-	-	4,296
Accrued payroll liabilities	-	-	-	18,692	8,444	-	27,136
Due to other funds	-	-	18,579	-	-	-	18,579
Unearned revenue	-	-	-	49,549	-	-	49,549
TOTAL LIABILITIES	-	4,296	18,579	68,241	8,444	-	99,560
FUND BALANCES							
Restricted	-	-	-	1,224,106	-	469,241	1,693,347
Committed	141,900	-	-	-	-	-	141,900
Assigned	-	1,109,564	-	-	1,780,747	-	2,890,311
TOTAL FUND BALANCES	141,900	1,109,564	-	1,224,106	1,780,747	469,241	4,725,558
TOTAL LIABILITIES AND FUND BALANCES	\$ 141,900	\$ 1,113,860	\$ 18,579	\$ 1,292,347	\$ 1,789,191	\$ 469,241	\$ 4,825,118

WISCONSIN RAPIDS PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	SPECIAL REVENUE FUNDS					OTHER CAPITAL PROJECTS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	SPECIAL REVENUE TRUST	SPECIAL REVENUE TRUST STUDENT ACTIVITY	INDIAN EDUCATION	FOOD SERVICE	COMMUNITY SERVICE		
REVENUES							
Property taxes	\$ -		\$ -	\$ -	\$ 1,204,586	\$ -	\$ 1,204,586
Other local sources	57,396	-	-	1,013,706	58,843	38,382	1,168,327
State sources	4,800	-	-	45,741	-	-	50,541
Federal sources	-	-	19,820	2,485,720	-	-	2,505,540
Other sources	-	1,858,425	-	23,447	-	-	1,881,872
TOTAL REVENUES	62,196	1,858,425	19,820	3,568,614	1,263,429	38,382	6,810,866
EXPENDITURES							
Current							
Instruction							
Regular instruction	3,452	981,808	1,148	-	-	-	986,408
Vocational instruction	7,411	-	-	-	-	-	7,411
Other instruction	-	734,814	-	-	-	-	734,814
Total instruction	10,863	1,716,622	1,148	-	-	-	1,728,633
Support services							
Pupil services	36,006	-	15,965	-	-	-	51,971
Instructional staff services	2,407	-	650	-	-	-	3,057
Business services	-	-	2,057	3,608,679	299,881	524,360	4,434,977
Central services	1,222	-	-	7,906	-	-	9,128
Community services	-	-	-	-	812,873	-	812,873
Total support services	39,635	-	18,672	3,616,585	1,112,754	524,360	5,312,006
Non-program transactions	1,506	-	-	-	-	-	1,506
Capital outlay	-	-	-	5,890	2,700	2,060,816	2,069,406
TOTAL EXPENDITURES	52,004	1,716,622	19,820	3,622,475	1,115,454	2,585,176	9,111,551
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	10,192	141,803	-	(53,861)	147,975	(2,546,794)	(2,300,685)
NET CHANGE IN FUND BALANCE	10,192	141,803	-	(53,861)	147,975	(2,546,794)	(2,300,685)
FUND BALANCES - BEGINNING OF YEAR	131,708	967,761	-	1,277,967	1,632,772	3,016,035	7,026,243
FUND BALANCES - END OF YEAR	\$ 141,900	\$ 1,109,564	\$ -	\$ 1,224,106	\$ 1,780,747	\$ 469,241	\$ 4,725,558

WISCONSIN RAPIDS PUBLIC SCHOOLS
SCHEDULE OF CHARTER SCHOOL AUTHORIZER OPERATING COSTS
YEAR ENDED JUNE 30, 2025

<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, 2025

AWARDING AGENCY PASS-THROUGH AGENCY AWARD DESCRIPTION	PASS-THROUGH ENTITY IDENTIFYING NUMBER	ASSISTANCE LISTING NUMBER	PROGRAM OR AWARD AMOUNT	ACCRUED RECEIVABLE (UNEARNED REVENUE) JULY 1, 2024	REVENUES GRANTOR REIMBURSEMENT	EXPENDITURES	ACCRUED RECEIVABLE (UNEARNED REVENUE) JUNE 30, 2025	SUBRECIPIENT PASS-THROUGH EXPENDITURES
U.S. DEPARTMENT OF AGRICULTURE								
Wisconsin Department of Public Instruction								
<u>Child Nutrition Cluster</u>								
Food Donation		10.555	N/A	\$ -	\$ 274,049	\$ 274,049	\$ -	\$ -
July 1, 2024 - June 30, 2025	None							
School Breakfast Program		10.553	N/A	5,544	5,544	-	-	-
July 1, 2023 - June 30, 2024	2024-716685-DPI-SB-546		N/A	-	478,942	556,735	77,793	-
July 1, 2024 - June 30, 2025	2025-716685-DPI-SB-546							
National School Lunch Program		10.555	N/A	16,403	16,403	-	-	-
July 1, 2023 - June 30, 2024	2024-716685-DPI-NSL-547		N/A	-	1,320,262	1,533,306	213,044	-
July 1, 2024 - June 30, 2025	2025-716685-DPI-NSL-547							
Special Milk Program for Children		10.556	N/A	12	12	-	-	-
July 1, 2023 - June 30, 2024	2024-716685-DPI-SMP-548		N/A	-	3,127	3,669	542	-
July 1, 2024 - June 30, 2025	2025-716685-DPI-SMP-548							
Summer Food Service Program for Children		10.559	N/A	31,419	31,419	-	-	-
July 1, 2023 - June 30, 2024	2024-716685-DPI-SMP-586		N/A	-	14,685	71,088	56,403	-
July 1, 2024 - June 30, 2025	2025-716685-DPI-SFSP-586							
Fresh Fruit and Vegetable Program		10.582	\$ 7,407	-	6,955	6,955	-	-
July 1, 2024 - June 30, 2025	2025-716685-DPI-FFVPPUB-594							
Fresh Fruit and Vegetable Program		10.582	37,427	-	37,218	37,218	-	-
July 1, 2024 - June 30, 2025	2025-716685-DPI-FFVP-Oct-376							
Total Child Nutrition Cluster				53,378	2,188,616	2,483,020	347,782	-
TOTAL U.S. DEPARTMENT OF AGRICULTURE				53,378	2,188,616	2,483,020	347,782	-
U.S. DEPARTMENT OF EDUCATION								
Indian Education								
July 1, 2023 - June 30, 2024	S060A200136	84.060	N/A	14,928	14,928	-	-	-
July 1, 2024 - June 30, 2025	S060A210136		28,612	-	1,241	19,820	18,579	-
Total Indian Education				14,928	16,169	19,820	18,579	-
Unlocking Pathways Wisconsin		84.051						
July 1, 2024 - June 30, 2025	2025-716685-DPI-UNLOCK-423		28,612	-	4,721	4,721	-	-
Total Unlocking Pathways Wisconsin				-	4,721	4,721	-	-
Wisconsin Department of Public Instruction								
<u>Special Education Cluster</u>								
Special Education - Grants to States (IDEA Part B)		84.027A						
July 1, 2023 - June 30, 2024	2024-716685-DPI-IDEA-FLOW-341		N/A	335,299	335,299	-	-	-
July 1, 2024 - June 30, 2025	2025-716685-DPI-IDEA-FLOW-341		1,073,852	-	564,522	1,025,961	461,439	-
Special Education - Grants to States - IZER (IDEA Part B)		84.027A						
July 1, 2024 - June 30, 2025	2025-716685-DPI-IZER-342		30,000	-	-	25,952	25,952	-
Special Education - Grants to States - CEIS		84.027A						
July 1, 2023 - June 30, 2024	2024-716685-DPI-IDEA-FLOW-341		N/A	39,864	39,864	-	-	-
July 1, 2024 - June 30, 2025	2025-716685-DPI-IDEA-FLOW-341		211,290	-	131,640	208,185	76,545	-
Special Education - Preschool Grants (IDEA Part B)		84.173A						
July 1, 2023 - June 30, 2024	2025-716685-DPI-ELIMG-347		N/A	2,127	2,127	-	-	-
July 1, 2024 - June 30, 2025	2024-716685-DPI-ELIMG-347		16,000	-	6,844	15,825	8,981	-
Special Education - Preschool Grants (IDEA Part B)		84.173A						
July 1, 2023 - June 30, 2024	2024-716685-DPI-PRESCH-347		N/A	6,474	6,474	-	-	-
July 1, 2024 - June 30, 2025	2025-716685-DPI-PRESCH-347		27,841	-	10,278	23,593	13,315	-
Total Special Education Cluster				383,764	1,097,048	1,299,516	586,232	-
<u>Education Stabilization Fund</u>								
Elementary and Secondary School Emergency Relief Fund III		84.425U						
April 23, 2023 - September 30, 2024	2023-716685-DPI-ESF Summer-165		176,000	-	87,415	87,415	-	-
Elementary and Secondary School Emergency Relief Fund III		84.425U						
April 23, 2021 - September 30, 2024	2025-716685-DPI-LETRS-165		30,000	-	8,092	8,092	-	-
COVID-19 - Elementary and Secondary School Emergency Relief Fund III		84.425U						
March 13, 2020 - September 30, 2024	2024-716685-DPI-ESSERFIII-165		N/A	980,203	980,203	-	-	-
March 13, 2020 - September 30, 2024	2025-716685-DPI-ESSERFIII-165		6,410,444	-	733,507	733,507	-	-
COVID-19 - ESSER - Homeless Children and Youth Part 1		84.425W						
April 23, 2021 - September 30, 2024	2024-716685-DPI-ARPHCYI-168		N/A	5,734	5,734	-	-	-
Total Education Stabilization Fund				985,937	1,814,951	829,014	-	-
Title I-A - Grants to Local Educational Agencies		84.010A						
July 1, 2023 - June 30, 2024	2024-716685-DPI-TI-A-141		N/A	362,152	362,152	-	-	-
July 1, 2024 - June 30, 2025	2024-716685-DPI-TI-A-141		1,357,133	-	672,298	1,140,830	468,532	-
Career and Technical Education - Basic Grants to States		84.048						
July 1, 2023 - June 30, 2024	2024-716685-DPI-CTE-400		N/A	5,171	5,171	-	-	-
July 1, 2024 - June 30, 2025	2025-716685-DPI-CTE-400		55,033	-	32,710	58,341	25,631	-
Title X-C - Education for Homeless Children and Youth		84.196A						
July 1, 2023 - June 30, 2024	2024-716685-DPI-EHCY-335		N/A	11,255	11,255	-	-	-
July 1, 2024 - June 30, 2025	2025-716685-DPI-EHCY-I-335		58,971	-	17,350	45,021	27,671	-
Title III-A - English Language Acquisition Grants		84.365A						
July 1, 2023 - June 30, 2024	2024-716685-DPI-TIIIA-391		N/A	4,041	4,041	-	-	-
July 1, 2024 - June 30, 2025	2025-716685-DPI-TIIIA-391		16,244	-	12,729	14,297	1,568	-
Title II-A - Supporting Effective Instruction State Grant		84.367A						
July 1, 2023 - June 30, 2024	2024-716685-DPI-TIIA-365		N/A	44,274	44,274	-	-	-
July 1, 2024 - June 30, 2025	2025-716685-DPI-TIIA-365		143,178	-	98,596	149,790	51,194	-
Title IV-A Student Support and Academic Enrichment Grants		84.424A						
July 1, 2023 - June 30, 2024	2024-716685-DPI-TIVA-381		N/A	35,017	35,017	-	-	-
July 1, 2024 - June 30, 2025	2025-716685-DPI-TIV-A-381		78,319	-	13,754	37,410	23,656	-
Bipartisan Safer Communities Act		84.424F						
July 1, 2023 - June 30, 2024	2024-716685-DPI-SCG-394		N/A	1,736	1,736	-	-	-
April 23, 2021 - September 30, 2024	2024-716685-DPI-SCG-394		133,891	-	113,366	209,956	96,590	-
Mid-State Technical College		84.048						
Tech Prep Education			N/A	-	1,400	1,400	-	-
July 1, 2024 - June 30, 2025								
TOTAL U.S. DEPARTMENT OF EDUCATION				1,848,275	4,354,017	3,810,116	1,299,653	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES								
Cooperative Educational Service Agency #5								
Public Health Emergency Response		93.354	7,787	6,537	6,537	-	-	-
July 1, 2023 - June 30, 2024	None							
Wisconsin Department of Health Services								
<u>Medicaid Cluster</u>								
Grants to States for Medicaid		93.778						
July 1, 2023 - June 30, 2024	None		N/A	39,019	39,019	-	-	-
July 1, 2024 - June 30, 2025	None		N/A	-	676,696	786,551	109,855	-
Total Medicaid Cluster				39,019	715,715	786,551	109,855	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				45,556	722,252	786,551	109,855	-
TOTAL FEDERAL ASSISTANCE				\$ 1,947,209	\$ 7,269,606	\$ 7,079,687	\$ 1,757,290	\$ -

WISCONSIN RAPIDS PUBLIC SCHOOLS
SCHEDULE OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2025

	PASS-THROUGH		RECEIVABLE		RECEIVABLE		RECEIVABLE	
AWARDING AGENCY	ENTITY	STATE	(UNEARNED	REVENUE		(UNEARNED	SUBRECIPIENT	
PASS-THROUGH AGENCY	IDENTIFYING	I.D.	REVENUE)	GRANTOR		REVENUE)	PASS-THROUGH	
AWARD DESCRIPTION	NUMBER	NUMBER	JULY 1, 2024	REIMBURSEMENT	EXPENDITURES	JUNE 30, 2025	EXPENDITURES	
WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION								
Wisconsin Department of Public Instruction								
Special Education and School Age Parents	716685-100	255.101	\$ -	\$ 3,750,837	\$ 3,750,837	\$ -	\$ -	-
State School Lunch Aid	716685-107	255.102	-	27,307	27,307	-	-	-
Common School Fund Library Aid	716685-104	255.103	-	434,744	434,744	-	-	-
Bilingual/Bicultural Aid	716685-111	255.106	-	39,049	39,049	-	-	-
General Transportation Aid	716685-102	255.107	-	187,758	187,758	-	-	-
General Aids Cluster								
Equalization Aid	716685-116	255.201	-	43,931,293	43,931,293	-	-	-
High Cost Special Education Aid	716685-119	255.210	-	76,343	76,343	-	-	-
School Based Mental Health Services Grant	716685-177	255.297	-	147,124	147,124	-	-	-
Peer Review and Mentoring	716685-141	255.301	23,165	23,165	22,844	22,844	-	-
AODA Program Grants - Cool To Be Kind	716685-142	255.321	-	1,000	1,000	-	-	-
School Breakfast Program	716685-108	255.344	-	18,434	18,434	-	-	-
Gifted and Talented Education Grant	716685-139	255.350	33,195	33,195	20,000	20,000	-	-
Early College Credit Program	716685-178	255.445	-	260	260	-	-	-
Student Achievement Guarantee in Education	716685-160	255.504	-	1,805,396	1,805,396	-	-	-
Educator Effectiveness Evaluation System	716685-154	255.940	-	32,200	32,200	-	-	-
Per Pupil Aid	716685-113	255.945	-	3,492,594	3,492,594	-	-	-
Career and Technical Education Incentive	716685-152	255.950	-	59,953	59,953	-	-	-
Assessments for Reading Readiness	716685-166	255.956	-	6,811	-	(6,811)	-	-
Aid for Special Education Transition Grants	716685-168	255.960	-	29,376	29,376	-	-	-
TOTAL WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION			56,360	54,096,839	54,076,512	36,033	-	-
WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT								
Youth Apprenticeship Grant	None	445.107	(8,211)	8,405	16,616	-	-	-
TOTAL WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT			(8,211)	8,405	16,616	-	-	-
WISCONSIN DEPARTMENT OF NATURAL RESOURCES								
Payment in Lieu of Taxes	None	None	-	19,569	19,569	-	-	-
TOTAL WISCONSIN DEPARTMENT OF NATURAL RESOURCES			-	19,569	19,569	-	-	-
WISCONSIN DEPARTMENT OF REVENUE								
Exempt Personal Property Aid	None	None	-	564,403	564,403	-	-	-
Exempt Computer Aid	None	None	139,645	139,645	139,645	139,645	-	-
TOTAL WISCONSIN DEPARTMENT OF REVENUE			139,645	704,048	704,048	139,645	-	-
TOTAL STATE FINANCIAL ASSISTANCE			\$ 187,794	\$ 54,828,861	\$ 54,816,745	\$ 175,678	\$ -	-

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, 2025

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

2024-2025 eligible costs under the State Special Education Program are \$12,896,495

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, 2025, 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 4, 2025.

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, 2025-001, 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*.

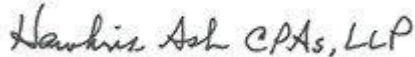
Wisconsin Rapids Public Schools' Response to Finding

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 4, 2025



**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, 2025. 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, 2025.

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.

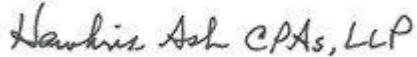
Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant 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 dark ink that reads "Hawkins Ash CPAs, LLP". The signature is written in a cursive, flowing style.

Manitowoc, Wisconsin
December 4, 2025

WISCONSIN RAPIDS PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2025

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

10.553/10.555/10.556/10.559/10.582
84.425

Name of Federal Program or Cluster

Child Nutrition 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
255.201

Name of State Program or Cluster

Special Education and School Age Parents
Equalization Aid

11. Dollar threshold used to distinguish between:

Type A and Type B federal programs:
Type A and Type B state programs:

\$750,000
\$1,000,000

- | | |
|--|-----|
| 12. Auditee qualified as low-risk auditee? | Yes |
|--|-----|

WISCONSIN RAPIDS PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued
JUNE 30, 2025

Section II - Financial Statement Findings and Questioned Costs

2025-001 - 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 2024-001.

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 Natural Resources	No
Wisconsin Department of Public Instruction	No
Wisconsin Department of Revenue	No
Wisconsin Department of Workforce Development	No

WISCONSIN RAPIDS PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued
JUNE 30, 2025

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

Kevin Behnke, CPA

Kevin Behnke, Partner



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND CORRECTIVE ACTION PLAN
JUNE 30, 2025

Summary Schedule of Prior Audit Findings

2024-001 Preparation of Financial Statements - Repeat. Initially occurred 6/30/09.

Corrective Action Plan

2025-001 - 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, 2025

WISCONSIN RAPIDS PUBLIC SCHOOLS

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**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, 2025, and have issued our report thereon dated December 4, 2025. 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 12, 2025, 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 4, 2025.

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. 101, Compensated Absences, in 2025. 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.

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. Management has corrected all identified misstatements. 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 4, 2025.

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

Hawkins Ash CPAs, LLP

Manitowoc, Wisconsin

December 4, 2025



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, 2025 and have issued our report thereon dated December 4, 2025. 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 4, 2025

MANAGEMENT ADVISORY COMMENTS

Current Year Comments

New Standard - GASB Statement No. 103 - Financial Reporting Model Improvements

This statement's objective is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The statement also addresses certain application issues.

The statement establishes new accounting and financial reporting requirements or modifies existing requirements related to the following:

- a. Management discussion and analysis - improve the analysis in this section and discuss the activities that have had a significant impact on the government's balances and results of operations in comparison with the prior year
- b. Unusual or infrequent items - updates reporting and disclosure requirements
- c. Budgetary comparison information - updates reporting by adding an original and final variance column and explaining significant variances in the notes to required supplementary information

The requirements of this statement are effective for fiscal years beginning after June 15, 2025. Your June 30, 2026 financial statement will be updated for these new reporting requirements.

Original and Final Budgeted Amounts

The original and final budgeted amounts entered into the District's software were not the same as the adopted original and final budgets amounts. We recommend entering the actual original and final budgeted amounts into the software to provide accurate interim financial reports and to accurately monitor the District's budget.

Status of Prior Year(s) Comments

New Standard - GASB Statement No. 101 - Compensated Absences (6/30/24)

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: Resolved

APPENDIX A

Client: **0201753 - Wisconsin Rapids Public Schools**
Engagement: **25 Audit - Wisconsin Rapids Public Schools**
Period Ending: **6/30/2025**
Trial Balance: **Database**
Workpaper: **1501 - Adjusting Journal Entries**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 34		Account Detail		
2025 - To record receivable in proper account.				
27-000-715600-000	- DUE FROM FEDERAL GOVERNME		109,855.00	
27-000-715500-000	- DUE FROM STATE GOVERNMENT			109,855.00
Total			109,855.00	109,855.00
Adjusting Journal Entries JE # 43				
2025 - Adjustment made per client subsequent to importing the trial balance.		1501.01		
10-000-819000-000	WAREHOUSE - OTHER FD LIAB		80,551.00	
10-000-811622-000	Wisconsin Retirement Fund			32,442.00
10-969-500000-000	REVENUES			48,109.00
Total			80,551.00	80,551.00
Adjusting Journal Entries JE # 46				
2025 - Adjustment made per client subsequent to importing the trial balance.		1501.03		
10-630-500000-000	REVENUES		1,462.00	
10-000-715500-000	- DUE FROM STATE GOVERNMENT			1,462.00
Total			1,462.00	1,462.00
Adjusting Journal Entries JE # 47				
2025 - Adjustment made per client subsequent to importing the trial balance.		1501.05		
10-000-816900-000	Other Deferred Revenues		143,407.00	
10-630-500000-000	REVENUES			143,407.00
Total			143,407.00	143,407.00
Adjusting Journal Entries JE # 48				
2025 - Adjustment made per client subsequent to importing the trial balance.		1501.04		
10-000-937000-000	Committed Fund Balance		143,407.00	
10-000-936900-000	Restricted Fund Balance: Other			143,407.00
Total			143,407.00	143,407.00
Adjusting Journal Entries JE # 49				
2025 - Adjustment made per client subsequent to importing the trial balance.		1501.06		
27-000-715600-000	- DUE FROM FEDERAL GOVERNME		25,828.00	
27-470-158000-000	Textbooks		21,622.00	
27-490-220000-000	STAFF SERVICES		4,206.00	
27-000-811200-000	- ACCOUNTS PAYABLE			25,828.00
27-730-500000-000	REVENUES			25,828.00
Total			51,656.00	51,656.00
Adjusting Journal Entries JE # 50				
2025 - Adjustment made per client subsequent to importing the trial balance.		1501.07		
22-291-500000-000	REVENUES		315.00	
22-411-120000-000	REGULAR CURRICULUM		112.00	
22-000-711200-000	WRAMS SAA			315.00
22-000-711200-000	WRAMS SAA			112.00
Total			427.00	427.00

Client: **0201753 - Wisconsin Rapids Public Schools**
Engagement: **25 Audit - Wisconsin Rapids Public Schools**
Period Ending: **6/30/2025**
Trial Balance: **Database**
Workpaper: **1501 - Adjusting Journal Entries**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 51		5005		
2025 - To record SBITA transactions.				
10 E --- 676 28----	SUBSCRIPTION-BASED IT AGREEMENT PRINCIPAL		84,472.00	
10 E --- 686 28----	SUBSCRIPTION-BASED IT AGREEMENT INTEREST		7,118.00	
10-480-220000-000	Instructional Staff Services - Non-Instructional Computer Software			91,590.00
Total			91,590.00	91,590.00
Total Adjusting Journal Entries			622,355.00	622,355.00
Total All Journal Entries			622,355.00	622,355.00

APPENDIX B



WISCONSIN RAPIDS PUBLIC SCHOOLS

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

December 4, 2025

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 financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Wisconsin Rapids Public Schools which comprise the statement of financial position as of June 30, 2025, 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 4, 2025.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 12, 2025, 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) The financial statements referred to above have been fairly presented in accordance with U.S. GAAP and include all properly classified funds, required supplementary information, and notes to the basic financial statements.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of the system 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) 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 U.S. GAAP.
- 6) All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 7) 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.
- 8) We have reviewed and approved the adjusting journal entries you have proposed and they have been recorded in our books.
- 9) The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- 11) All funds and activities are properly classified.

- 12) All funds that meet the quantitative criteria in Government Accounting Standards Board (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.
- 13) All net position components and fund balance classifications have been properly reported and, if applicable, approved.
- 14) 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.
- 15) 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.
- 16) All interfund and intra-entity transactions and balances have been properly classified and reported.
- 17) Special items and extraordinary items have been properly classified and reported.
- 18) Deposit and investment risks have been properly and fully disclosed.
- 19) Capital assets, including infrastructure assets and right-to-use assets, are properly capitalized, reported, and if applicable, depreciated or amortized.
- 20) All required supplementary information is measured and presented within the prescribed guidelines.
- 21) Nonexchange and exchange financial guarantees, either written or oral, under which it is more likely than not that a liability exists have been properly recorded, or if we are obligated in any manner, are disclosed.
- 22) We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- 23) We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- 24) We have a process to track the status of audit findings and recommendations.
- 25) 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.
- 26) With regard to items 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.
- 27) With regard to pensions and OPEB:
 - We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
 - We are unable to determine the possibility of a withdrawal liability from the plan of which we are a sponsor and are not currently contemplating withdrawing from the plan.
 - Increases in benefits, elimination of benefits and all similar amendments have been disclosed in accordance with U.S. GAAP and are included in the most recent actuarial valuation, or disclosed as a subsequent event.
- 28) We have conducted a comprehensive risk assessment and disclosed all material concentrations and constraints in accordance with GASB Statement No. 102, *Certain Risk Disclosures*. These disclosures provide sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact associated with the concentration or constraint, if applicable.
- 29) We have evaluated the concentrations and constraints, including those that occur subsequent to the statement of net position date but before the financial statements are issued and have been properly disclosed in the financial statements as subsequent events, if applicable.
- 30) 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 controls, including a process to monitor the system of internal control.

- 31) 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.
- 32) 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

- 33) We have provided you with:
- a. 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;
 - b. Additional information that you have requested from us for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence;
 - d. 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;
 - e. 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.
- 34) 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.
- 35) All transactions have been recorded in the accounting records and are reflected in the financial statements.
- 36) 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.
- 37) We have provided to you our analysis of the entity's ability to continue as a going concern, including significant conditions, events present, concentrations and constraints, and we believe that our use of the going concern basis of accounting is appropriate.
- 38) We have no knowledge of any information that we are aware of in relation to fraud or suspected fraud that affects the entity and involves:
- a. Management;
 - b. Employees who have significant roles in internal control; or

- c. Others where the fraud could have a material effect on the financial statements.
- 39) We have no knowledge of any information in that we are aware of regarding ~~relation to~~ instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), analysts, regulators, or others.
- 40) We have no knowledge of any information that we are aware of regarding instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 41) We have no knowledge of any information that we are aware of regarding instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 42) We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, abuse or waste that you have reported to us.
- 43) We have provided views on your reported audit findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 44) We have disclosed to you all known actual or possible 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.
- 45) We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- 46) There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- 47) The entity has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, and deferred inflows of resources.
- 48) We have disclosed to you all guarantees, whether written or oral, under which the entity is contingently liable.
- 49) 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.
- 50) 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.
- 51) 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.
- 52) 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.
- 53) 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).

- 54) 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.
- 55) 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.

Federal and State Award Programs

With respect to federal and state awards, we represent the following to you:

- 56) We are responsible for understanding and complying with, and have complied with, the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (the Uniform Guidance) and State Single Audit Guide.
- 57) We are responsible for the preparation and presentation of the schedule of expenditures of federal awards and schedule of state financial assistance in accordance with the Uniform Guidance and State Single Audit Guide.
- 58) We believe the schedule of expenditures of federal awards and schedule of state financial assistance, including its form and content, is fairly presented in accordance with the Uniform Guidance and State Single Audit Guide.
- 59) The methods of measurement or presentation have not changed from those used in the prior period.
- 60) We believe the significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards and schedule of state financial assistance, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.
- 61) We are responsible for including the auditors' report on the schedule of expenditures of federal awards and schedule of state financial assistance in any document that contains the schedules and that indicates that the auditor has reported on such information.
- 62) We have identified and disclosed all of our government programs and related activities subject to the Uniform Guidance and State Single Audit Guide compliance audit.
- 63) When the schedule of expenditures of federal awards and schedule of state financial assistance are not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the schedules no later than the date of issuance by the entity of the schedules and the auditor's report thereon.
- 64) We have, in accordance with the Uniform Guidance and State Single Audit Guide, identified in the schedule of expenditures of federal awards and schedule of state financial assistance, expenditures 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, food commodities, direct appropriations, and other assistance.
- 65) We have provided to you our interpretations of any compliance requirements that are subject to varying interpretations.
- 66) We have made available to you all federal and state awards (including amendments, if any) and any other correspondence relevant to federal and state programs and related activities that have taken place with federal and state agencies or pass-through entities.
- 67) We have received no requests from a federal or state agency to audit one or more specific programs as a major program.
- 68) We have identified and disclosed to you all amounts questioned and any known noncompliance with the direct and material compliance requirements of federal awards, including the results of other audits or program reviews, or stated that there was no such noncompliance. We also know of no instances of noncompliance with direct and material compliance requirements occurring subsequent to period covered by the auditor's report.
- 69) We have disclosed to you any communications from federal and state awarding agencies 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.
- 70) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- 71) Federal and state program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared (and are


prepared on a basis consistent with the schedule of expenditures of federal awards and schedule of state financial assistance).

- 72) The copies of federal and state program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal or state agency or pass-through entity, as applicable.
- 73) We have properly classified amounts claimed or used for matching in accordance with related guidelines in the Uniform Guidance and State Single Audit Guide, as applicable.
- 74) We have charged costs to federal and state awards in accordance with applicable cost principles.
- 75) 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 Single Audit Guide, 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.
- 76) 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.
- 77) The reporting package does not contain personally identifiable information.
- 78) We have disclosed all contracts or other agreements with service organizations and disclosed to you all communications from these service organizations relating to noncompliance at the organizations.
- 79) We have reviewed, approved, and taken responsibility for the financial statements and related notes and an acknowledgment of the auditor's role in the preparation of this information.
- 80) We have reviewed, approved, and taken responsibility for accrual adjustments and an acknowledgment of the auditor's role in the preparation of the adjustments.
- 81) We have disclosed to you the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period.

In addition:

- 82) We are responsible for understanding and complying with the requirements of federal and state statutes, regulations, and the terms and conditions of federal and state awards related to each of our federal and state programs and have identified and disclosed to you the federal and state statutes, regulations, and the terms and conditions of federal and state awards that are considered to have a direct and material effect on each major federal and state program; and we have complied with these direct and material compliance requirements.
- 83) We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal and state programs that provide reasonable assurance that we are managing our federal and state awards in compliance with federal and state statutes, regulations, and the terms and conditions of the federal and state award that could have a material effect on our federal and state programs. Also, no changes have been made in the internal control over compliance or other factors that might significantly affect internal control, including any corrective action taken by management with regard to significant deficiencies and material weaknesses in internal control over compliance, have occurred subsequent to the period covered by the auditor's report.
- 84) We are responsible for and have accurately completed the appropriate sections of the Data Collection Form and we are responsible for taking corrective action on audit findings of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance and State Single Audit Guide.


Director of Business Services


Superintendent