

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2024



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**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2024**

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
BASIC FINANCIAL STATEMENTS	
DISTRICT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	14
STATEMENT OF ACTIVITIES	15
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	16
RECONCILIATION TO THE STATEMENT OF NET POSITION – GOVERNMENTAL FUNDS	17
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	18
RECONCILIATION TO THE STATEMENT OF ACTIVITIES – GOVERNMENTAL FUNDS	19
STATEMENT OF FIDUCIARY NET POSITION – EMPLOYEE BENEFIT TRUST FUND	20
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – EMPLOYEE BENEFIT TRUST FUND	21
NOTES TO BASIC FINANCIAL STATEMENTS	22
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND – BUDGETARY BASIS	56
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – SPECIAL EDUCATION SPECIAL REVENUE FUND – BUDGETARY BASIS	57
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS	58

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2024**

SCHEDULE OF EMPLOYER CONTRIBUTIONS – OTHER POSTEMPLOYMENT BENEFITS	59
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS – SUPPLEMENTAL PENSION PLAN	60
SCHEDULE OF EMPLOYER CONTRIBUTIONS – SUPPLEMENTAL PENSION PLAN	61
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) – WISCONSIN RETIREMENT SYSTEM	62
SCHEDULE OF CONTRIBUTIONS – WISCONSIN RETIREMENT SYSTEM	62
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	63
SUPPLEMENTARY INFORMATION	
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS	68
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS	69
ADDITIONAL INDEPENDENT AUDITOR'S REPORT FOR BASIC FINANCIAL STATEMENTS	
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 <i>GOVERNMENT AUDITING STANDARDS</i>	71
FEDERAL AND STATE AWARDS	
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE <i>STATE SINGLE AUDIT GUIDELINES</i>	74
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	77
SCHEDULE OF EXPENDITURES OF STATE AWARDS	79
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS	80
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	81



INDEPENDENT AUDITORS' REPORT

Board of Education
West Bend Joint School District #1
West Bend, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Bend Joint School District #1, West Bend, Wisconsin (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2024, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District 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 District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's 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 District's 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, and the schedules relating to pensions and other postemployment benefits 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 GAAS, 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 District's basic financial statements. The combining nonmajor governmental fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration are also presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the combining nonmajor governmental fund financial statements and the schedule of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Sheboygan, Wisconsin
December 2, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

This discussion and analysis of the West Bend Joint School District #1's financial information provides an overall review of financial activities for the fiscal year. The analysis generally focuses on school district financial performance as a whole.

FINANCIAL HIGHLIGHTS

- The District's overall financial position, as reflected in total net position, increased by \$5,926,033.
- The District's total assets decreased by approximately \$1.3 million. The district's current assets including cash, investments and receivables decreased by approximately \$334 thousand, while net capital assets (land, sites, buildings, and equipment) decreased by approximately \$985 thousand.
- The District's total liabilities decreased by \$14.38 million. This is primarily due to the change in the long-term debt for 2023-24.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements are comprised of 1) management's discussion and analysis, 2) district-wide financial statements, 3) fund financial statements, and 4) notes to the financial statements. In addition, other supplementary information and required supplementary information to the basic financial statements are provided.

District-Wide Financial Statements

- The district-wide financial statements include the statement of net position and statement of activities. These statements present an aggregate view of the district's finances in a manner similar to private-sector business. Both statements distinguish functions that are supported principally by property taxes and intergovernmental revenues, called governmental activities, from functions that are intended to recover all or a significant portion of costs through user fees and charges called business type activities.
- The statement of net position presents information on all of the district's assets, deferred outflows of resources, deferred inflows of resources, and liabilities, with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the district is improving or deteriorating.
- The statement of activities presents information showing how the district's net position changed during the year. This statement reports the cost of government functions and how those functions were financed for the fiscal year.
- The district-wide financial statements are shown on pages 14 through 15 of this report.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Fund Financial Statements

- The District also produces fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities. The District, like other state and local governments, uses fund accounting to demonstrate compliance with finance related legal requirements. Fund statements generally report operations in more detail than the district-wide statements and provide information that may be useful in evaluating a district's near-term financing requirements.
- There are two fund financial statements, the balance sheet and the statement of revenues, expenditures and changes in fund balance. Generally, fund statements focus on near-term inflows and outflows of spendable resources and their impact on fund balance.
- Because the focus of fund financial statements is narrower than that of the district-wide statements it is useful to make comparison between the information presented. By doing so, readers may better understand the long-term implication of the government's near-term financial decisions. A reconciliation to facilitate this comparison is provided either at the bottom of the government funds statement or as a separate statement.
- The District has two kinds of funds: governmental and fiduciary. Governmental funds include the District's general, special revenue, debt service and capital project funds. The district has one fiduciary fund, the employee benefit trust fund.
- Financial information is presented separately on both the balance sheet and the statement of revenues, expenditures and changes in fund balance for the general fund and referendum debt service as these are considered to be major funds. Data for each of the individual non-major funds is provided separated as supplementary information. The governmental fund financial statements are on pages 16 through 19 of this report.
- The District serves as a trustee, or fiduciary, for the employee benefit trust fund. The assets of this organization do not directly benefit nor are under the direct control of the district. The district's responsibility is limited to ensuring the assets reported in this fund are used only for their intended purposes. Fiduciary activities are excluded from the district-wide financial statements because the district cannot use these assets to finance its operations. Fiduciary fund statements are presented on pages 20 through 21.
- The District adopts an annual appropriated budget for its general fund. Budgetary comparison statements have been provided to demonstrate budget compliance. The budgetary comparison statements can be seen on pages 56 through 57.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found beginning on page 22 of this report.

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

	District-Wide Statements	Fund Financial 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, and community services	Assets held by the district on behalf of someone else.
Required financial statements	Statement of net position, and Statement of activities.	Balance sheet, and Statement of revenues, expenditures and changes in fund balance.	Statement of fiduciary net position, and Statement of changes in fiduciary net position.
Basis of accounting and measurement focus	Accrual accounting. Economic resources focus.	Modified accrual accounting. Current financial resources focus.	Accrual accounting. 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; 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 and paid.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

FINANCIAL ANALYSIS

The District as a Whole

Net position. Table 1, below, provides a summary of the district's net position for the year ended June 30, 2024 compared to June 30, 2023.

Table 1
Condensed Statement of Net Position
(in thousands of dollars)

	Governmental Activities		Total % Change 2023-24
	2024	2023	
Current and Other Assets	\$ 43,952	\$ 44,286	-1%
Capital Assets	68,247	69,232	-1%
Total Assets	<u>\$ 112,199</u>	<u>\$ 113,518</u>	<u>-1%</u>
Deferred Outflows of Resources	\$ 37,089	\$ 51,240	-28%
Long-Term Liabilities Outstanding	\$ 12,361	\$ 28,644	-57%
Other Liabilities	11,452	9,546	20%
Total Liabilities	<u>\$ 23,813</u>	<u>\$ 38,190</u>	<u>-38%</u>
Deferred Inflows of Resources	\$ 21,702	\$ 28,721	-24%
Net Position:			
Net Investment in Capital Assets	\$ 63,802	\$ 60,543	5%
Restricted	12,599	16,854	-25%
Unrestricted	<u>27,372</u>	<u>20,450</u>	<u>34%</u>
Total Net Position	<u>\$ 103,773</u>	<u>\$ 97,847</u>	<u>6%</u>

The District's combined net position increased to \$103,773,254. Table 2 Change in Net Position presents additional information related to the change.

The primary reason for the reduction in other assets and the increase in liabilities is due to the Wisconsin Retirement System which has a liability that decreased \$11.4 million. Refer to Note 2 for additional information.

Note that the calculation of net position uses a historical cost for school buildings and capital assets that may not accurately reflect fair market value.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Change in net position. Table 2 presents summarized operating results and changes in net position for the fiscal years 2024 and 2023.

Table 2

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

	Governmental Activities		Total
	2024	2023	% Change 2023-24
Revenues:			
Program Revenues:			
Charges for Services	\$ 1,855	\$ 1,887	-2%
Operating Grants And Contributions	22,632	21,116	7%
General Revenues			
Property Taxes	39,853	43,371	-8%
State and Federal Aid	32,669	31,225	5%
Other	1,824	1,678	9%
Total Revenues	<u>98,833</u>	<u>99,277</u>	<u>0%</u>
Expenses:			
Instruction	47,018	53,908	-13%
Support Services	30,602	31,158	-2%
Community Services	619	498	24%
Interest and Fiscal Charges	121	283	-57%
Depreciation	2,867	2,593	11%
Nonprogram Transactions	11,680	9,764	20%
Total Expenses	<u>92,907</u>	<u>98,204</u>	<u>-5%</u>
Increase in Net Position	5,926	1,073	452%
Net Position - Beginning of Year	<u>97,847</u>	<u>96,774</u>	
Net Position - End of Year	<u>\$ 103,773</u>	<u>\$ 97,847</u>	

As shown, general revenues provide about 75.2% of the funding. Property taxes provide 40.3% of the total revenue for the governmental activities. In the prior year, general revenues provided 76.8% of funding and property taxes provided 43.7%.

- Total revenues remained consistent to the prior year. Instructional program revenues, in the form of charges for services, operating grants and contributions, and capital grants and contributions, totaled approximately \$24.5 million.
- General revenues for operations accounted for \$74.3 million, which is about \$1.9 million less than last year. Property taxes decreased \$3.5 million or 8% over the prior year.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

- Expenses for governmental activities decreased by \$5.2 million or 5%. The change in the District's Supplemental Pension and Wisconsin Retirement System net pension liability and related deferred outflows and inflows had a significant effect on the District expenses. For the year ended June 30, 2024, the change resulted in an increase in expenses of \$4.1 million in comparison to the year ended June 30, 2023 which resulted in an increase of expenses of \$3.6 million, or a net impact of \$500 thousand. In addition non-program transactions increased by \$1.9 million which includes open enrollment out tuition payments.
- The District recognized depreciation expense of \$2.9 million.

Governmental Activities

Net cost of governmental activities. Table 3 reports the net cost of six major district activities. The table shows each activity's net cost (total cost less fees generated locally or from state and federal agencies). 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 2023-24
	2024	2023	
Instruction	\$ 28,435	\$ 37,464	-24%
Support Services	25,689	25,584	0%
Community Services	606	483	25%
Interest and Fiscal Charges	121	283	-57%
Depreciation - Unallocated	2,866	2,593	11%
Nonprogram Transactions	10,702	8,793	22%
Total	\$ 68,419	\$ 75,200	-9%

- The net cost of services of all governmental activities decreased by \$6.8 million or 9%.
- Net instruction costs decreased approximately \$9.0 million while non-program transactions increased \$2 million.
- As stated previously, the change in the District's Supplemental Pension and Wisconsin Retirement System net pension asset liability and related deferred outflows and inflows had a significant effect on the District expenses. For the year ended June 30, 2024, the change resulted in an increase in expenses of \$4.1 million in comparison to the year ended June 30, 2023 which resulted in an increase of expenses of \$3.6 million, or a net impact of \$500 thousand.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the 2024 fiscal year, the District had invested \$68 million in a broad range of capital assets, including buildings, sites, and equipment. The net amount invested in capital assets decreased slightly between the 2024 and 2023 fiscal years. Additional information about capital assets can be found in Note 2.B.

Table 4
Capital Assets
(net of depreciation, in thousands of dollars)

	Governmental Activities		Total % Change 2023-24
	2024	2023	
Land	\$ 1,552	\$ 1,552	0%
Construction in Progress	25	21	19%
Land Improvements	3,699	3,689	0%
Buildings and Improvements	104,198	103,064	1%
Equipment	9,426	9,399	0%
Accumulated Depreciation	(50,653)	(48,493)	4%
Total	\$ 68,247	\$ 69,232	-1%

- Capital asset additions in the current year include the various capital projects including remodeling, various roof replacement projects, and equipment purchases.

Long-Term Debt

At year-end, the District had \$4.6 million in outstanding bonds, notes and other long-term obligations. Additional information about the District's long-term obligations is presented in Note 2.D. to the financial statements.

Table 5
Outstanding Long-Term Obligations
(in thousands of dollars)

	Governmental Activities		Total % Change 2023-24
	2024	2023	
General Obligation Debt	\$ 4,375	\$ 8,355	-48%
Other	252	374	-33%
Total	\$ 4,627	\$ 8,729	-47%

- The District's general obligation debt decreased by \$4.0 million.
 - During the current fiscal year, the District retired principal on general obligation debt totaling \$4.0 million.
- Other long-term obligations consist of debt premiums and compensated absences.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

FACTORS BEARING ON THE DISTRICT'S FUTURE

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

- State's funding formula and commitment to support of public education
- The State of Wisconsin has an open enrollment law that allows students to attend the school district of their choice with few restrictions. The state adjusts each district's general state aid payment based on the number of students who transfer.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and 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 the business office, West Bend Joint School District #1, 735 S. Main St. West Bend, Wisconsin 53095.

BASIC FINANCIAL STATEMENTS

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities
ASSETS	
Cash and Investments	\$ 29,443,686
Receivables:	
Taxes	9,407,497
Accounts	20,011
Due from Other Governments	4,971,174
Prepaid Items	109,641
Capital Assets:	
Nondepreciable	1,577,415
Depreciable, Net	66,669,463
Total Assets	<u>112,198,887</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension Related Amounts	31,846,197
Other Postemployment Related Amounts	5,243,155
Total Deferred Outflows of Resources	<u>37,089,352</u>
LIABILITIES	
Accounts Payable	419,426
Accrued and Other Current Liabilities	7,172,407
Accrued Interest Payable	63,435
Due to Other Governments	600
Due to Fiduciary Funds:	
Contributions	1,641,828
Unearned Revenues	83,266
Deposits Payable	1,381,950
Health and Dental Claims Payable	689,000
Long-Term Obligations:	
Due in One Year	4,317,109
Due in More than One Year	309,887
Net Other Postemployment Benefits Liability	56,864
Net Pension Liability	7,677,208
Total Liabilities	<u>23,812,980</u>
DEFERRED INFLOWS OF RESOURCES	
Pension Related Amounts	19,669,873
Other Postemployment Related Amounts	2,032,132
Total Deferred Inflows of Resources	<u>21,702,005</u>
NET POSITION	
Net Investment in Capital Assets	63,801,991
Restricted:	
Common School Fund	19,414
School Mental Health	196,617
Food Service Programs	1,258,952
Donations	1,076,833
Community Service Activities	227,510
Debt Service	4,995,053
Capital Projects	4,824,698
Unrestricted	<u>27,372,186</u>
Total Net Position	<u><u>\$ 103,773,254</u></u>

See accompanying Notes to Basic Financial Statements.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in and Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities	
GOVERNMENTAL ACTIVITIES					
Instruction	\$ 47,018,098	\$ 713,380	\$ 17,870,030	\$ (28,434,688)	
Support Services	30,601,526	1,128,779	3,784,089	(25,688,658)	
Community Services	618,859	12,890	-	(605,969)	
Nonprogram	11,680,045	-	977,904	(10,702,141)	
Interest and Fiscal Charges	121,220	-	-	(121,220)	
Depreciation - Unallocated	2,866,799	-	-	(2,866,799)	
Total Governmental Activities	<u>\$ 92,906,547</u>	<u>\$ 1,855,049</u>	<u>\$ 22,632,023</u>		<u>(68,419,475)</u>
General Revenues:					
Property Taxes				39,852,608	
Other Taxes				35,096	
State and Federal Aids not Restricted to Specific Functions				32,669,319	
Interest and Investment Earnings				1,464,073	
Gain on Disposal of Capital Assets				2,000	
Miscellaneous				322,412	
Total General Revenues				<u>74,345,508</u>	
Change in Net Position				5,926,033	
Net Position - July 1				<u>97,847,221</u>	
Net Position - June 30				<u>\$ 103,773,254</u>	

See accompanying Notes to Basic Financial Statements.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2024

	General	Referendum Debt Service	Nonmajor Governmental Funds	Total
ASSETS				
Cash and Investments	\$ 16,927,299	\$ 5,058,488	\$ 7,457,899	\$ 29,443,686
Receivables:				
Taxes	9,407,497	-	-	9,407,497
Accounts	16,131	-	3,880	20,011
Due from Other Funds	113,411	-	-	113,411
Due from Other Governments	4,725,834	-	245,340	4,971,174
Prepaid Items	<u>85,776</u>	<u>-</u>	<u>23,865</u>	<u>109,641</u>
 Total Assets	 <u>\$ 31,275,948</u>	 <u>\$ 5,058,488</u>	 <u>\$ 7,730,984</u>	 <u>\$ 44,065,420</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 391,244	\$ -	\$ 28,182	\$ 419,426
Accrued and Other Current Liabilities	7,058,775	-	113,632	7,172,407
Due to Other Funds	-	-	113,411	113,411
Due to Fiduciary Fund	1,641,828	-	-	1,641,828
Due to Other Governments	600	-	-	600
Unearned Revenues	-	-	83,266	83,266
Deposits Payable	1,381,950	-	-	1,381,950
Health and Dental Claims Payable	<u>684,500</u>	<u>-</u>	<u>4,500</u>	<u>689,000</u>
Total Liabilities	<u>11,158,897</u>	<u>-</u>	<u>342,991</u>	<u>11,501,888</u>
FUND BALANCES				
Nonspendable	85,776	-	23,865	109,641
Restricted	216,031	5,058,488	7,364,312	12,638,831
Committed	5,752,507	-	-	5,752,507
Unassigned	<u>14,062,737</u>	<u>-</u>	<u>(184)</u>	<u>14,062,553</u>
Total Fund Balances	<u>20,117,051</u>	<u>5,058,488</u>	<u>7,387,993</u>	<u>32,563,532</u>
 Total Liabilities and Fund Balances	 <u>\$ 31,275,948</u>	<u>\$ 5,058,488</u>	<u>\$ 7,730,984</u>	<u>\$ 44,065,420</u>

See accompanying Notes to Basic Financial Statements.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
RECONCILIATION TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
JUNE 30, 2024

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balances as Shown on Previous Page	\$ 32,563,532
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	68,246,878
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds:	
Deferred Outflows Related to Pensions	31,846,197
Deferred Inflows Related to Pensions	(19,669,873)
Deferred Outflows Related to Other Postemployment Benefits	5,243,155
Deferred Inflows Related to Other Postemployment Benefits	(2,032,132)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds and Notes Payable	(4,375,000)
Premiums on Long-Term Debt	(69,887)
Compensated Absences	(182,109)
Net Other Postemployment Benefits Liability	(56,864)
Net Pension Liability	(7,677,208)
Accrued Interest on Long-Term Obligations	<u>(63,435)</u>
Net Position of Governmental Activities as Reported on the Statement of Net Position	<u>\$ 103,773,254</u>

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	General	Referendum Debt Service	Nonmajor Governmental Funds	Total
REVENUES				
Property Taxes	\$ 37,529,751	\$ -	\$ 2,357,953	\$ 39,887,704
Other Local Sources	1,466,988	348,784	2,918,753	4,734,525
Interdistrict Sources	1,212,493	-	66,585	1,279,078
Intermediate Sources	119,449	-	-	119,449
State Sources	42,455,876	-	30,134	42,486,010
Federal Sources	6,972,020	-	3,194,701	10,166,721
Other Sources	372,684	-	1,561	374,245
Total Revenues	<u>90,129,261</u>	<u>348,784</u>	<u>8,569,687</u>	<u>99,047,732</u>
EXPENDITURES				
Instruction:				
Regular Instruction	31,169,251	-	1,088,082	32,257,333
Vocational Instruction	1,879,596	-	134,572	2,014,168
Special Education Instruction	12,182,854	-	-	12,182,854
Other Instruction	3,419,936	-	1,163,605	4,583,541
Total Instruction	<u>48,651,637</u>	<u>-</u>	<u>2,386,259</u>	<u>51,037,896</u>
Support Services:				
Pupil Services	4,857,177	-	160,470	5,017,647
Instructional Staff Services	3,644,083	-	59,159	3,703,242
General Administration Services	842,869	-	134,877	977,746
School Administration Services	3,733,194	-	85,849	3,819,043
Business Services	699,874	-	37,206	737,080
Operations and Maintenance of Plant	7,054,589	-	2,185,855	9,240,444
Pupil Transportation Services	2,928,282	-	192,753	3,121,035
Food Services	-	-	3,037,204	3,037,204
Central Services	1,315,583	-	616	1,316,199
Insurance	624,638	-	35,825	660,463
Other Support Services	2,008,314	-	73,830	2,082,144
Total Support Services	<u>27,708,603</u>	<u>-</u>	<u>6,003,644</u>	<u>33,712,247</u>
Debt Service:				
Principal	-	2,980,000	1,000,000	3,980,000
Interest and Fiscal Charges	-	263,025	-	263,025
Total Debt Service	<u>-</u>	<u>3,243,025</u>	<u>1,000,000</u>	<u>4,243,025</u>
Community Service	-	-	623,966	623,966
Nonprogram:				
General Tuition Payments	6,090,073	-	20,722	6,110,795
Co-Curricular Cooperative Program	12,053	-	-	12,053
Special Education Tuition Payments	730,974	-	-	730,974
Adjustments and Refunds	849	-	-	849
Voucher Payments	4,825,374	-	-	4,825,374
Total Nonprogram	<u>11,659,323</u>	<u>-</u>	<u>20,722</u>	<u>11,680,045</u>
Total Expenditures	<u>88,019,563</u>	<u>3,243,025</u>	<u>10,034,591</u>	<u>101,297,179</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,109,698	(2,894,241)	(1,464,904)	(2,249,447)
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Capital Assets	2,000	-	-	2,000
Transfers In	-	-	57,244	57,244
Transfers Out	(57,244)	-	-	(57,244)
Total Other Financing Sources (Uses)	<u>(55,244)</u>	<u>-</u>	<u>57,244</u>	<u>2,000</u>
NET CHANGE IN FUND BALANCES	2,054,454	(2,894,241)	(1,407,660)	(2,247,447)
Fund Balances - July 1	18,062,597	7,952,729	8,795,653	34,810,979
FUND BALANCES - JUNE 30	<u>\$ 20,117,051</u>	<u>\$ 5,058,488</u>	<u>\$ 7,387,993</u>	<u>\$ 32,563,532</u>

See accompanying Notes to Basic Financial Statements.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
RECONCILIATION TO THE STATEMENT OF ACTIVITIES – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances as Shown on Previous Page \$ (2,247,447)

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

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

Capital Assets Reported as Expenditures Reported in Governmental Fund Statements	1,935,877
Depreciation Expense Reported in the Statement of Activities	(2,866,799)
Net Book Value of Disposals	(54,480)

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

Principal Repaid	3,980,000
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Accrued Interest on Long-Term Debt	7,275
Amortization of Premiums on Long-Term Debt	134,530
Compensated Absences	(12,424)
Net Pension Liability	11,362,537
Deferred Outflows of Resources Related to Pensions	(15,033,445)
Deferred Inflows of Resources Related to Pensions	7,756,396
Net Other Postemployment Benefits	818,538
Deferred Outflows of Resources Related to Other Postemployment Benefits	882,821
Deferred Inflows of Resources Related to Other Postemployment Benefits	<u>(737,346)</u>
Change in Net Position of Governmental Activities as Reported in the Statement of Activities	<u>\$ 5,926,033</u>

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
STATEMENT OF FIDUCIARY NET POSITION –
EMPLOYEE BENEFIT TRUST FUND
JUNE 30, 2024**

ASSETS

Cash and Investments	\$ 5,044,182
Accounts Receivable:	
Contributions	1,641,828
Total Assets	<u>6,686,010</u>

LIABILITIES

Accounts Payable	1,299,985
Unearned Revenues	26,310
Total Liabilities	<u>1,326,295</u>

NET POSITION

Restricted for Postemployment Benefits	<u>\$ 5,359,715</u>
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**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN**
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
EMPLOYEE BENEFIT TRUST FUND
YEAR ENDED JUNE 30, 2024

ADDITIONS

Contributions:
 Employer
 Investment Earnings

\$ 1,550,000
 305,125

DEDUCTIONS

Trust Fund Disbursements

1,733,161

CHANGE IN NET POSITION

121,964

Net Position - July 1

5,237,751

NET POSITION - JUNE 30

\$ 5,359,715

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the West Bend Joint School District #1, West Bend, Wisconsin (the District), have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the District are described below:

A. Reporting Entity

The District is organized as a common school district. The District, governed by an elected seven-member board, operates grades pre-K through 12 and is comprised of all or parts of nine taxing districts.

In accordance with U.S. GAAP, the basic financial statements are required to include the District (the primary government) and any separate component units that have a significant operational or financial relationship with the District. The District has not identified any component units that are required to be included in the basic financial statements.

B. District-Wide and Fund Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are primarily supported by taxes and intergovernmental revenues.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the district-wide financial statements. Governmental funds include general, special revenue, debt service and capital projects funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The District reports the following major governmental funds:

General Fund

This is the District's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Referendum Debt Service Fund

This fund accounts for debt service proceeds, payments, and other charges for referendum debt.

Additionally, the District reports the following fund types:

- The *employee benefit trust fund* is used to account for resources legally held in trust for other postemployment benefits in a fiduciary fund.

C. Measurement Focus and Basis of Accounting

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

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 120 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

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

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

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

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

1. Cash and Investments

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

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Property Taxes

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

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

3. 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 to the basic financial statements.

4. Interfund Receivables and Payables

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

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

5. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are expensed in the periods benefitted.

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

6. Capital Assets

Capital assets, which include property, plant and equipment assets, are reported in the district-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Salvage value is 10% of the asset's original cost.

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

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

Land Improvements	10 to 20 Years
Buildings and Improvements	20 to 50 Years
Machinery and Equipment	4 to 15 Years

7. Compensated Absences

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

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

8. Deferred Outflows/Inflows of Resources

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

9. Long-Term Obligations

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

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

10. Pensions

Wisconsin Retirement System

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 following:

- Net Pension Liability (Asset),
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions,
- 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.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. Pensions (Continued)

Supplemental Pension Plan

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the supplemental pension plan and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the supplemental pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

11. Other Postemployment Benefits Other Than Pensions (OPEB)

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

12. Fund Equity

Governmental Fund Financial Statements

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

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

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

12. Fund Equity (Continued)

Governmental Fund Financial Statements (Continued)

- **Assigned fund balance.** Amounts that are constrained for specific purposes by action of District management. The Board of Education has not authorized a specific employee to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- **Unassigned fund balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The District has not adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. When a policy does not specify the spend-down policy, GASB Statement No. 54 indicates that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

District-Wide Statements

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

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

E. Use of Estimates

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

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

The debt service funds account for their transactions through separate and distinct bank and investment accounts as required by State Statutes. In addition, the fiduciary funds use separate and distinct accounts. All other funds share in common bank and investment accounts.

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

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

The carrying amount of the District's cash and investments totaled \$34,487,868 on June 30, 2024 as summarized below:

Petty Cash and Cash on Hand	\$ 400
Deposits with Financial Institutions	18,925,173
Certificates of Deposit	54,779
Investments:	
Wisconsin Investment Series Cooperative (WISC):	
Cash Management Series	5,761,273
Limited Duration Series	1,187,489
Investment Series	4,425,136
Wisconsin Local Government Investment Pool	4,133,618
Total	<u><u>\$ 34,487,868</u></u>

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 29,443,686
Fiduciary Fund Statement of Net Position:	
Cash and Investments	5,044,182
Total	<u><u>\$ 34,487,868</u></u>

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Fair Value Measurements

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

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

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

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

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

The District has the following fair value measurements as of June 30, 2024:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments:			
WISC Investments:			
Cash Management Series	\$	-	\$ 5,761,273
Limited Term Duration Series	-	1,187,489	-
Investment Series	-	4,425,136	-
Total	<u>\$</u>	<u>-</u>	<u>\$ 11,373,898</u>

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

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Custodial Credit Risk

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

Deposits with financial institutions within the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the state of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Also, the state of Wisconsin has a State Guarantee Fund which provides a maximum of \$1,000,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of June 30, 2024, none of the District's deposits with financial institutions were in excess of federal and state depository insurance limits.

Credit Risk

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

Investment Type	Amount	Exempt from Disclosure	AAA	AA	Not Rated
Wisconsin Investment Series Cooperative:					
Cash Management Series	\$ 5,761,273	\$ -	\$ -	\$ -	\$ 5,761,273
Limited Duration Series	1,187,489	-	-	-	1,187,489
Investment Series	4,425,136	-	-	-	4,425,136
Wisconsin Local Government Investment Pool	4,133,618	-	-	-	4,133,618
Total	<u>\$ 15,507,516</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,507,516</u>

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. As of June 30, 2024, the Wisconsin Local Government Investment Pool had a weighted average maturity of 28 days.

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

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Wisconsin Investment Series Cooperative:					
Cash Management Series	\$ 5,761,273	\$ 5,761,273	\$ -	\$ -	\$ -
Limited Duration Series	1,187,489	1,187,489	-	-	-
Investment Series	4,425,136	4,425,136	-	-	-
Wisconsin Local Government Investment Pool	4,133,618	4,133,618	-	-	-
Total	<u>\$ 15,507,516</u>	<u>\$ 15,507,516</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Investment in Wisconsin Investment Series Cooperation

The District has investments in the Wisconsin Investment Series Cooperative (WISC) of \$11,373,898 at year-end consisting of \$5,761,273 invested in the Cash Management Series, \$1,187,489 invested in the Limited Duration Series, and \$4,425,136 invested in the Investment Series. The Cash Management Series has no minimum investment period, allows check writing privileges, and the average dollar weighted maturity is ninety (90) days or less. The Investment Series requires a 14-day minimum investment period and one business day withdrawal notice, and the average dollar weighted maturity is one hundred twenty (120) days or less.

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

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Investment in Wisconsin Local Government Investment Pool

The District has investments in the Wisconsin Local Government Investment Pool (LGIP) of \$4,133,618 at year-end. The LGIP is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At June 30, 2024, the fair value of the District's share of the LGIP's assets was substantially equal to the carrying value.

B. Capital Assets

Capital asset activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Nondepreciable:				
Land	\$ 1,551,702	\$ -	\$ -	\$ 1,551,702
Construction in Progress	21,040	25,713	21,040	25,713
Total Capital Assets, Nondepreciable	1,572,742	25,713	21,040	1,577,415
Capital Assets, Depreciable:				
Land Improvements	3,689,055	10,000	-	3,699,055
Buildings and Improvements	103,064,169	1,201,650	68,000	104,197,819
Machinery and Equipment	9,399,004	719,554	692,616	9,425,942
Subtotal	116,152,228	1,931,204	760,616	117,322,816
Less: Accumulated Depreciation for:				
Land Improvements	2,336,175	106,439	-	2,442,614
Buildings and Improvements	40,808,231	2,110,924	34,680	42,884,475
Machinery and Equipment	5,348,284	649,436	671,456	5,326,264
Subtotal	48,492,690	2,866,799	706,136	50,653,353
Total Capital Assets, Depreciable, Net	67,659,538	(935,595)	54,480	66,669,463
Governmental Activities				
Capital Assets, Net	<u>\$ 69,232,280</u>	<u>\$ (909,882)</u>	<u>\$ 75,520</u>	<u>68,246,878</u>
Less: Capital Related Debt				4,375,000
Less: Debt Premium				69,887
Net Investment in Capital Assets				<u>\$ 63,801,991</u>

The District's capital assets are shared by many governmental functions. Accordingly, it was not considered practical to allocate depreciation expense. The District's depreciation expense for the fiscal year June 30, 2024 was \$2,866,799.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Interfund Receivables, Payables, and Transfers

Interfund receivables and payables as of June 30, 2024 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Temporary Cash Advances		
Governmental Funds:		
General	\$ 113,411	\$ -
Nonmajor Fund - Head Start	- <hr style="border-top: 1px solid black;"/>	113,411
Total	<hr style="border-top: 1px solid black;"/> <u>\$ 113,411</u>	<hr style="border-top: 1px solid black;"/> <u>\$ 113,411</u>

Interfund transfers for the year ended June 30, 2024 were as follows:

Fund	Transfer In	Transfer Out
General	\$ -	\$ 57,244
Nonmajor - Cooperative Fund	57,244	-
Total	<hr style="border-top: 1px solid black;"/> <u>\$ 57,244</u>	<hr style="border-top: 1px solid black;"/> <u>\$ 57,244</u>

Interfund transfers were made for the following purposes:

Finance Cooperative Costs	<u>\$ 57,244</u>
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D. Long-Term Obligations

The following is a summary of changes in long-term obligations of the District for the year ended June 30, 2024:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Debt:					
Bonds	\$ 7,355,000	\$ -	\$ 2,980,000	\$ 4,375,000	\$ 4,135,000
Notes	1,000,000	- <hr style="border-top: 1px solid black;"/>	1,000,000	- <hr style="border-top: 1px solid black;"/>	- <hr style="border-top: 1px solid black;"/>
Total General Obligation Debt	8,355,000	- <hr style="border-top: 1px solid black;"/>	3,980,000	4,375,000	4,135,000
Debt Premium	204,417	- <hr style="border-top: 1px solid black;"/>	134,530	69,887	-
Compensated Absences	169,685	53,817	41,393	182,109	182,109
Governmental Activities Long-Term Obligations	<hr style="border-top: 1px solid black;"/> <u>\$ 8,729,102</u>	<hr style="border-top: 1px solid black;"/> <u>\$ 53,817</u>	<hr style="border-top: 1px solid black;"/> <u>\$ 4,155,923</u>	<hr style="border-top: 1px solid black;"/> <u>\$ 4,626,996</u>	<hr style="border-top: 1px solid black;"/> <u>\$ 4,317,109</u>

Total interest paid during the year on long-term debt totaled \$263,025.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 6/30/24
General Obligation Bonds	9/15/10	9/15/24	1.75%	\$ 7,300,000	\$ 965,000
General Obligation Bonds	8/16/21	4/1/26	1.50 - 4.00%	9,215,000	3,410,000
Total Outstanding General Obligation Debt					<u>\$ 4,375,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$4,375,000 on June 30, 2024 are detailed below:

<u>Year Ending June 30,</u>	Governmental Activities		
	Principal	Interest	Total
2025	\$ 4,135,000	\$ 168,575	\$ 4,303,575
2026	240,000	9,600	249,600
Total	<u>\$ 4,375,000</u>	<u>\$ 178,175</u>	<u>\$ 4,553,175</u>

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

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

Legal Margin for New Debt

The District's legal margin for creation of additional general obligation debt on June 30, 2024 was \$814,668,888 as follows:

Equalized Valuation of the District	\$ 8,190,438,878
Statutory Limitation Percentage	<u>(x) 10%</u>
General Obligation Debt Limitation, Per Section 67.03 of the Wisconsin Statutes	819,043,888
Total Outstanding General Obligation Debt Applicable to Debt Limitation	<u>4,375,000</u>
Legal Margin for New Debt	<u><u>\$ 814,668,888</u></u>

E. Pension Plans

The District reports pension related balances at June 30, 2024, as summarized below:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Wisconsin Retirement System (WRS)	\$ 3,528,606	\$ 30,275,839	\$ 18,864,837	\$ 2,464,246
Supplemental or Stipend Pension Plan	4,148,602	1,570,358	805,036	1,775,071
Total	<u>\$ 7,677,208</u>	<u>\$ 31,846,197</u>	<u>\$ 19,669,873</u>	<u>\$ 4,239,317</u>

WRS Pension Plan

Plan Description

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

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

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

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans (Continued)

1. WRS Pension Plan (Continued)

Vesting

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

Benefits Provided

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

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

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

The WRS also provides death and disability benefits for employees.

Postretirement Adjustments

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

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans (Continued)

1. WRS Pension Plan (Continued)

Postretirement Adjustments (Continued)

Year	Core Fund Adjustment %	Variable Fund Adjustment %
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17
2019	0.0	(10)
2020	1.7	21
2021	5.1	13
2022	7.4	15
2023	1.6	(21)

Contributions

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

During the year ending June 30, 2024, the WRS recognized \$3,222,183 in contributions from the District.

Contribution rates for the reporting period are:

Employee Category	Employee	Employer
General (Including Teachers, Executives, and Elected Officials)	6.90%	6.90%

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans (Continued)

1. WRS Pension Plan (Continued)

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

At June 30, 2024, the District reported a liability of \$3,528,606 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, the District's proportion was 0.23732799%, which was a decrease of 0.00480030% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$2,464,246.

At June 30, 2024, 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	\$ 14,227,307	\$ 18,844,156
Net Differences Between Projected and Actual		
Earnings on Pension Plan Investments	12,296,621	-
Changes in Assumptions	1,538,018	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	166,744	20,681
Employer Contributions Subsequent to the Measurement Date	2,047,149	-
Total	\$ 30,275,839	\$ 18,864,837

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans (Continued)

1. WRS Pension Plan (Continued)

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

The \$2,047,149 reported as deferred outflows related to pension resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Expense</u>
2025	\$ 1,936,135
2026	2,044,802
2027	7,748,097
2028	(2,365,182)
Total	\$ 9,363,852

Actuarial Assumptions

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2022
Measurement Date of Net Pension Liability:	December 31, 2023
Experience Study	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.7%

* No postretirement 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 postretirement discount rate.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plans (Continued)

1. WRS Pension Plan (Continued)

Actuarial Assumptions (Continued)

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

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

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Core Fund Asset Class:			
Public Equity	40.0%	7.3%	4.5%
Public Fixed Income	27.0%	5.8%	3.0%
Inflation Sensitive Assets	19.0%	4.4%	1.7%
Real Estate	8.0%	5.8%	3.0%
Private Equity/Debt	18.0%	9.6%	6.7%
Leverage	-12.0%	3.7%	1.0%
Total Core Fund	<u>100.0%</u>	7.4%	4.6%
Variable Fund Asset Class:			
U.S. Equities	70.0%	6.8%	4.0%
International Equities	30.0%	7.6%	4.8%
Total Variable Fund	<u>100.0%</u>	7.3%	4.5%

New England Pension Consultants Long-Term US CPI (Inflation) Forecast: 7%

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

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

1. WRS Pension Plan (Continued)

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 6.80% was used to measure the Total Pension Liability for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 3.77% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax exempt securities.). Because of the unique structure of WRS, the 6.80% expected rate of return implies that a dividend of approximately 1.70% 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 members contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80%, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 34,105,689	\$ 3,528,606	\$ (17,867,471)

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>.

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

1. WRS Pension Plan (Continued)

Payable to the Pension Plan

At June 30, 2024, the District reported a payable of \$525,101 for the outstanding amount of contributions to the pension plan for the year ended June 30, 2024.

2. Supplemental Pension Plan

Pension Description

The plan is a single-employer, defined benefit pension plan established to provide benefits after retirement. The plan is administered by the District.

Benefits Provided

A summary of eligibility requirements and plan benefits follow:

Tier 1 Employee Eligibility: At least 57 with 17 continuous years of service, ages 50 or older as of December 31, 2014

The District will contribute towards a retiree's health premiums at the same amount as provided for active employees until medicare eligibility or eight years, which ever occurs first.

Tier 2 Employee Eligibility: At least 57 with 17 continuous years of service, ages 40 through 49 as of December 31, 2014

The District will provide contributions into a 403(b) upon retirement, as employees are eligible for a one-time prior service credit based on their age and years of service as of January 1, 2014 as follows:

Years of Service	Contribution Range
1 to 5	0%
6 to 10	3.3% - 23.3%
11 to 15	6.7% - 46.7%
16 to 20	10.0% - 70.0%
21 to 25	11.3% - 74.0%
26 to 30	12.7% - 78.0%
31+	14.0% - 82.0%

Tier 3 Employee Eligibility: At least 57 with 17 continuous years of service, under age 40 as of December 31, 2014

At the time of retirement, upon meeting the eligibility requirements, the District will provide eligible retirees with the designated contribution amount over a three year period based on three equal installments.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

2. Supplemental Pension Plan (Continued)

Employees Covered by Benefit Terms

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	8
Active Employees	<u>377</u>
Total	<u><u>385</u></u>

Actuarial Assumptions

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods in the measurement period, unless otherwise specified:

Valuation Date:	June 30, 2023
Measurement Date:	June 30, 2023
Reporting Date:	June 30, 2024
Actuarial Cost Method:	Entry Age Normal
Amortization Method:	30 year level %
Actuarial Assumptions:	
Discount Rate	4.25%

Single Discount Rate

A single discount rate of 4.25% was used to measure the total pension liability. This single discount rate was based on the 20-year tax exempt AA municipal bond index.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at June 30, 2022	\$ 7,604,934	\$ 1,392,428	\$ 6,212,506
Changes for the Year:			
Service Cost	519,817	-	519,817
Interest	270,265	-	270,265
Changes of benefit terms	(2,464,322)	-	(2,464,322)
Difference Between Expected and Actual Experience	(245,004)	-	(245,004)
Changes in Assumptions or Other Input	(99,734)	-	(99,734)
Net Investment Income	-	44,926	(44,926)
Benefit Payments	(285,954)	(285,954)	-
Net Changes	<u>(2,304,932)</u>	<u>(241,028)</u>	<u>(2,063,904)</u>
Balance at June 30, 2023	<u><u>\$ 5,300,002</u></u>	<u><u>\$ 1,151,400</u></u>	<u><u>\$ 4,148,602</u></u>

For the year ended June 30, 2024, the District recognized pension expense of \$1,775,071.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

2. Supplemental Pension Plan (Continued)

Pension Liability, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pension

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ 226,158
Net Differences between Projected and Actual Earnings on Pension Plan Investments	20,358	-
Changes in Assumptions	-	578,878
Employer Contributions Subsequent to the Measurement Date	1,550,000	-
Total	\$ 1,570,358	\$ 805,036

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

<u>Year Ending June 30,</u>	<u>Expense</u>
2025	\$ (57,100)
2026	(57,100)
2027	(57,099)
2028	(64,203)
2029	(63,965)
Thereafter	(485,211)
Total	\$ (784,678)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's total pension liability as June 30, 2024 calculated used the discount rate of 4.25% as well as what the District's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.25%) or 1-percentage-point higher (5.25%) than the current rate.

	1% Decrease to Discount Rate (3.25%)	Current Discount Rate (4.25%)	1% Increase to Discount Rate (5.25%)
Net Pension Liability	\$ 4,364,688	\$ 4,148,602	\$ 3,932,616

Payable to the Supplemental Pension Plan

At June 30, 2024, the District had no outstanding amount of contributions to the Plan required for the year ended June 30, 2024.

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits

Plan Description

The Plan is a single-employer defined benefit postemployment health plan that covers retired employees of the District. Eligible retired employees have access to group medical coverage through the District's group plan. District paid medical benefits are paid for as indicated below. Effective January 1, 2015, the District implemented a tiered benefit program. As of December 31, 2014, active employees over the age of 50 were classified as Tier 1, employees between the age of 40 and 49 were classified as Tier 2, all other employees were classified as Tier 3. All employees of the District are eligible for the Plan if they meet the following age and service requirements below.

Benefits Provided

Employees that meet the Tier 1 requirements, receive medical benefits equal to the same medical program available to active employees until the employee has reached Medicare eligibility. Employees that met the Tier 2 and 3 requirements below, receive a District contribution to the employee's TSA/403(b) account at retirement.

Employees Covered by Benefit Terms

As of the June 30, 2023 actuarial valuation, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Receiving Benefit Payments	62
Active Employees	<u>472</u>
Total	<u><u>534</u></u>

Contributions

Tier 1 Employee

Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly toward the cost of health insurance premium based on the employee group and their retirement date.

Investments. The Plan does not have a separate investment policy from the District. The Plan's investments at June 30, 2024 are entirely in cash and in short-term investments in the Wisconsin Investment Series Cooperative. The asset allocation policy is to invest entirely in cash and short-term investments. The investment in the Wisconsin Investment Series Cooperative has an expected rate of return of approximately 4.25%. At June 30, 2024, the Plan had no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total Plan investments.

For the year ended June 30, 2024, the annual money-weighted rate of return, net of investment expenses, was 5.68%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

OPEB Plan Information. At June 30, 2024, the Plan's total OPEB liability was \$2,262,123 and fiduciary net position was \$4,700,699, resulting in a net OPEB asset of \$2,438,576. The net OPEB asset for purposes of Plan reporting was measured at June 30, 2023 and the total OPEB liability was determined using an actuarial valuation at June 30, 2023. Plan fiduciary net position was 207.8% of the total OPEB liability.

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date.

Actuarial Assumptions. The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Amortization Method:	Entry Age Normal - Level % of Salary
Inflation:	2.50%
Discount Rate:	4.25%
Salary Increases:	3.00%
Investment Rate of Return:	4.25%
Healthcare Cost Trend Rates:	Medical Claim Trend - 7.0% Decreasing by 0.10% Per Year Down to 4.5%, and level thereafter

Mortality rates are based on the Wisconsin 2020 WRS Experience Tables for active employees and healthy retirees projected with mortality improvements the MP-2021 projection scale from a base year of 2010.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study conducted in 2021 using Wisconsin Retirement System (WRS) experience form 2018-2020.

The long-term expected rate of return on OPEB plan investments was valued at 4.25% using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expenses 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.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

Net OPEB Liability (Continued)

Discount Rate. The discount rate used to measure the total OPEB liability was 4.25%. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to 4.25% of the annual payroll expected to be paid in future years. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2022	\$ 5,596,677	\$ 4,721,275	\$ 875,402
Changes for the Year:			
Service Cost	113,912	-	113,912
Interest	183,598	-	183,598
Difference Between Expected and Actual			
Experience	(1,000,576)	-	(1,000,576)
Changes in Assumptions or Other Input	65,533	-	65,533
Net Investment Income	-	181,005	(181,005)
Benefit Payments	(815,930)	(815,930)	-
Net Changes	(1,453,463)	(634,925)	(818,538)
Balance at June 30, 2023	<u>\$ 4,143,214</u>	<u>\$ 4,086,350</u>	<u>\$ 56,864</u>

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

	1% Decrease to Discount Rate (3.25%)	Current Discount Rate (4.25%)	1% Increase to Discount Rate (5.25%)
Net OPEB liability	\$ 141,465	\$ 56,864	\$ (25,901)

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.0% decreasing to 3.5%) or 1-percentage-point higher (8.0% decreasing to 5.5%) than the current healthcare cost trend rates:

	1% Decrease (6.0% Decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% Decreasing to 4.5%)	1% Increase (8.0% Decreasing to 5.5%)
Net OPEB liability	\$ (34,017)	\$ 56,864	\$ 153,115

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

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

For the year ended June 30, 2024, the District recognized OPEB expense of \$585,987. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 2,434,860	\$ 1,807,392
Changes in Assumptions	1,190,274	224,740
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	68,021	-
District Contributions Subsequent to the Measurement Date	1,550,000	-
Total	\$ 5,243,155	\$ 2,032,132

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

<u>Year Ending June 30,</u>	<u>Expense</u>
2025	\$ 437,005
2026	432,384
2027	417,287
2028	398,209
2029	404,216
Thereafter	(428,078)
Total	\$ 1,661,023

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

Payable to the OPEB Plan

At June 30, 2024, the District reported a payable of \$0 for the outstanding amount of contribution to the Plan required for the year ended June 30, 2024.

G. Fund Equity

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At June 30, 2024, nonspendable fund balance was as follows:

	<u>General</u>	<u>Nonmajor</u>
Nonspendable:		
Prepaid Items	<u>\$ 85,776</u>	<u>\$ 23,865</u>

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At June 30, 2024, restricted fund balance was as follows:

General Fund:		
Restricted for:		
Common School Funds	\$ 19,414	
School Mental Health	196,617	
Special Revenue Funds:		
Restricted for:		
Food Service Programs	1,239,271	
Community Service Activities	227,510	
Donations	1,072,833	
Debt Service Funds:		
Restricted for:		
Referendum Debt Service	5,058,488	
Capital Projects Fund:		
Restricted for:		
Capital Improvements	3,978,122	
Capital Projects	846,576	
Total Restricted Fund Balance	<u>\$ 12,638,831</u>	

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Fund Equity (Continued)

Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by District Board action. At June 30, 2024, fund balance was committed as follows:

General Fund:

Committed for:

Jackson	\$ 1,474,922
Other Capital Projects	125,000
Self insurance	3,272,735
TSA Reserve Allocation	879,850
Total Committed Fund Balance	<u>\$ 5,752,507</u>

Minimum General Fund Balance Policy

The District has also adopted a total minimum fund balance policy of 10% - 15% of expenditures for the General Fund. The minimum fund balance is maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

2023 - 2024 General Fund Expenditures	\$ 88,019,563
Minimum Fund Balance %	(x) 10% to 15%
Minimum Fund Balance Amount	<u>\$8,801,956 to \$13,202,934</u>

The District's total General Fund Unassigned balance of \$14,062,737 is above the range presented above.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The District completes an annual review of its insurance coverage to ensure adequate coverage. The amount of actual settlements has not exceeded the insurance coverage amounts in any of the three most recent years.

Self-Funded Insurance Program

The District has a self-insured workers' compensation benefit plan for its employees. The Plan administrators are responsible for the approval, processing, and payment of claims, after which they bill the District for reimbursement. The District is also responsible for a monthly administrative fee. The Plan reports on a fiscal year ending June 30, 2024.

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

As part of the workers' compensation coverage of the Plan, the District purchases stop-loss coverage, which pays claims in excess of \$250,000 per individual and/or 100% of the annual estimated claims as provided by the claims administrator. For the year ended June 30, 2024, the aggregate claim limit was \$10,033,791. The District has no stop-loss coverage for dental care coverage of the Plan.

At June 30, 2024, the District has reported a liability of \$689,000 which represents reported and unreported claims which were incurred on or before June 30, 2024, but were not paid by the District as of that date. The amounts not reported to the District were determined by the Plan administrator. Changes in the claims liability for the years ended June 30, 2023 and June 30, 2024 are as follows:

		Current Year		
		Claims and		
	Liability	Changes in	Claims	Liability
	July 1	Estimates	Payments	June 30
2023	\$ 1,012,001	\$ 10,884,027	\$ 10,740,028	\$ 1,156,000
2024	1,156,000	9,566,791	10,033,791	689,000

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 OTHER INFORMATION (CONTINUED)

B. Contingencies

The District participates in a number of federal and state assisted grant programs that are subject to review and audit by the grantor agencies. Grantor agency review and audit may lead to requests for reimbursements to the grantor agencies for expenditures that are disallowed under the terms of the grants. Management believes such disallowances, if any, would be immaterial.

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

C. Limitation on School District Revenues

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

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

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

REQUIRED SUPPLEMENTARY INFORMATION

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2024

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Property Taxes	\$ 37,535,835	\$ 37,535,835	\$ 37,529,751	\$ (6,084)
Other Local Sources	1,109,475	1,109,475	1,466,988	357,513
Interdistrict Sources	1,218,142	1,218,142	1,187,493	(30,649)
Intermediate Sources	-	-	119,200	119,200
State Sources	37,904,024	37,904,024	38,261,614	357,590
Federal Sources	5,775,708	5,775,708	5,180,887	(594,821)
Other Sources	600,900	600,900	372,684	(228,216)
Total Revenues	84,144,084	84,144,084	84,118,617	(25,467)
EXPENDITURES				
Instruction:				
Regular Instruction	33,182,108	33,182,108	31,169,251	2,012,857
Vocational Instruction	2,068,580	2,068,580	1,879,596	188,984
Other Instruction	3,299,401	3,299,401	3,419,936	(120,535)
Total Instruction	38,550,089	38,550,089	36,468,783	2,081,306
Support Services:				
Pupil Services	3,520,509	3,520,509	3,536,670	(16,161)
Instructional Staff Services	3,178,846	3,178,846	3,076,524	102,322
General Administration Services	852,618	852,618	842,869	9,749
School Administration Services	3,696,735	3,696,735	3,733,194	(36,459)
Business Services	740,841	740,841	699,874	40,967
Operations and Maintenance of Plant	6,992,643	6,992,643	7,052,058	(59,415)
Pupil Transportation Services	2,289,920	2,289,920	2,255,340	34,580
Central Services	1,302,640	1,302,640	1,312,254	(9,614)
Insurance	728,956	728,956	624,638	104,318
Other Support Services	1,682,394	1,682,394	2,008,314	(325,920)
Total Support Services	24,986,102	24,986,102	25,141,735	(155,633)
Nonprogram:				
General Tuition Payments	5,901,585	5,901,585	6,090,073	(188,488)
Co-Curricular Cooperative Program	15,750	15,750	12,053	3,697
Adjustments and Refunds	-	-	849	(849)
Voucher Payments	4,833,929	4,833,929	4,825,374	8,555
Total Nonprogram	10,751,264	10,751,264	10,928,349	(177,085)
Total Expenditures	74,287,455	74,287,455	72,538,867	1,748,588
EXCESS OF REVENUES OVER EXPENDITURES	9,856,629	9,856,629	11,579,750	1,723,121
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Capital Assets	-	-	2,000	2,000
Transfers In	40,853	40,853	-	(40,853)
Transfers Out	(9,897,482)	(9,897,482)	(9,527,296)	370,186
Total Other Financing Sources (Uses)	(9,856,629)	(9,856,629)	(9,525,296)	331,333
NET CHANGE IN FUND BALANCE	(40,853)	(40,853)	2,054,454	2,054,454
Fund Balance - July 1	18,062,597	18,062,597	18,062,597	-
FUND BALANCE - JUNE 30	\$ 18,021,744	\$ 18,021,744	\$ 20,117,051	\$ 2,054,454

See accompanying Notes to Required Supplementary Information.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – SPECIAL EDUCATION SPECIAL REVENUE FUND
BUDGETARY BASIS
YEAR ENDED JUNE 30, 2024

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Interdistrict Sources	\$ 60,000	\$ 60,000	\$ 25,000	\$ (35,000)
Intermediate Sources	5,000	5,000	249	(4,751)
State Sources	4,186,596	4,186,596	4,194,262	7,666
Federal Sources	2,006,101	2,006,101	1,791,133	(214,968)
Total Revenues	<u>6,257,697</u>	<u>6,257,697</u>	<u>6,010,644</u>	<u>(247,053)</u>
EXPENDITURES				
Instruction:				
Special Education Instruction	12,635,540	12,635,540	12,182,854	452,686
Other Instruction	6,090	6,090	-	6,090
Total Instruction	<u>12,641,630</u>	<u>12,641,630</u>	<u>12,182,854</u>	<u>458,776</u>
Support Services:				
Pupil Services	1,373,021	1,373,021	1,320,507	52,514
Instructional Staff Services	622,360	622,360	567,559	54,801
Operations and Maintenance of Plant	5,000	5,000	2,531	2,469
Pupil Transportation Services	485,900	485,900	672,942	(187,042)
Central Services	3,650	3,650	3,329	321
Total Support Services	<u>2,489,931</u>	<u>2,489,931</u>	<u>2,566,868</u>	<u>(76,937)</u>
Nonprogram:				
Special Education Tuition Payments	912,065	912,065	730,974	181,091
Total Expenditures	<u>16,043,626</u>	<u>16,043,626</u>	<u>15,480,696</u>	<u>562,930</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(9,785,929)	(9,785,929)	(9,470,052)	315,877
OTHER FINANCING SOURCES				
Transfers In	<u>9,785,929</u>	<u>9,785,929</u>	<u>9,470,052</u>	<u>(315,877)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - JUNE 30	\$ -	\$ -	\$ -	\$ -

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL PERIODS*

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB Liability									
Service Cost	\$ 113,912	\$ 113,912	\$ 130,511	\$ 198,623	\$ 163,671	\$ 1,029,376	\$ 1,004,269	\$ 1,038,782	\$ 933,586
Interest	139,079	183,598	139,079	199,509	326,059	295,825	307,659	290,156	177,237
Changes of Benefit Terms	-	-	-	(527,789)	-	-	-	-	-
Changes in Accounting Principle	-	-	-	-	-	(5,147,637)	-	-	-
Differences Between Expected and Actual									
Experience	(1,000,576)	(1,000,576)	-	(1,295,536)	-	1,209,653	-	688,098	3,325,190
Changes of Assumptions	65,533	65,533	(152,017)	2,554	306,003	1,891,807	-	-	(232,039)
Benefit Payments	(1,199,039)	(815,930)	(1,273,874)	(1,184,272)	(1,339,950)	(1,386,497)	(1,204,894)	(1,359,839)	(1,769,785)
Net Change in Total OPEB Liability	(1,881,091)	(1,453,463)	(1,156,301)	(2,606,911)	(544,217)	(2,107,473)	107,034	657,197	2,434,189
Total OPEB Liability - Beginning	4,143,214	5,596,677	6,752,978	9,359,889	9,904,106	12,011,579	11,904,545	11,247,348	8,813,159
Total OPEB Liability - Ending (a)	<u>\$ 2,262,123</u>	<u>\$ 4,143,214</u>	<u>\$ 5,596,677</u>	<u>\$ 6,752,978</u>	<u>\$ 9,359,889</u>	<u>\$ 9,904,106</u>	<u>\$ 12,011,579</u>	<u>\$ 11,904,545</u>	<u>\$ 11,247,348</u>
Plan Fiduciary Net Position									
Contributions - Employer	\$ 1,550,000	\$ -	\$ 1,550,000	\$ 3,250,000	\$ 2,200,000	\$ 1,250,000	\$ 1,166,050	\$ 1,226,456	\$ 1,284,636
Net Investment Income	263,388	181,005	7,565	1,087	43,305	57,898	25,765	15,758	7,477
Benefit Payments	(1,199,039)	(815,930)	(1,273,874)	(1,184,272)	(1,339,950)	(1,386,497)	(1,204,894)	(1,359,839)	(1,769,785)
Other	-	-	-	-	-	(1,325,760)	103,888	118,635	(605,947)
Net Change in Plan Fiduciary Net Position	614,349	(634,925)	283,691	2,066,815	903,355	(1,404,359)	90,809	1,010	(1,083,619)
Plan Fiduciary Net Position - Beginning	4,086,350	4,721,275	4,437,584	2,370,769	1,467,414	2,871,773	2,780,964	2,779,954	3,863,573
Plan Fiduciary Net Position - Ending (b)	<u>\$ 4,700,699</u>	<u>\$ 4,086,350</u>	<u>\$ 4,721,275</u>	<u>\$ 4,437,584</u>	<u>\$ 2,370,769</u>	<u>\$ 1,467,414</u>	<u>\$ 2,871,773</u>	<u>\$ 2,780,964</u>	<u>\$ 2,779,954</u>
District's Net OPEB Liability - Ending (a) - (b)	<u>\$ (2,438,576)</u>	<u>\$ 56,864</u>	<u>\$ 875,402</u>	<u>\$ 2,315,394</u>	<u>\$ 6,989,120</u>	<u>\$ 8,436,692</u>	<u>\$ 9,139,806</u>	<u>\$ 9,123,581</u>	<u>\$ 8,467,394</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	207.80%	98.63%	84.36%	65.71%	25.33%	14.82%	23.91%	23.36%	24.72%
Covered-Employee Payroll	\$ 45,857,409	\$ 36,088,460	\$ 36,102,426	\$ 36,102,426	\$ 34,220,839	\$ 34,220,839	\$ 35,929,795	\$ 35,762,732	\$ 36,372,355
District's Net OPEB Liability as a Percentage of Covered-Employee Payroll	-5.32%	0.16%	2.42%	6.41%	20.42%	24.65%	25.44%	25.51%	23.28%
Annual Money-Weighted Rate of Return, Net of Investment Expenses	5.68%	3.85%	0.16%	0.03%	0.99%	1.66%	0.75%	0.58%	0.28%

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

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFITS
LAST TEN FISCAL YEARS*

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution (ADC)	\$ 1,352,253	\$ 1,352,253	\$ 1,312,867	\$ 3,276,165	\$ 2,368,276	\$ 1,122,048	\$ 1,100,047	\$ 1,100,903	\$ 1,130,182
Contributions in Relation to the ADC	1,550,000	-	1,550,000	3,250,000	2,200,000	1,250,000	1,166,050	1,226,456	1,284,636
Contribution Deficiency (Excess)	<u>\$ (197,747)</u>	<u>\$ 1,352,253</u>	<u>\$ (237,133)</u>	<u>\$ 26,165</u>	<u>\$ 168,276</u>	<u>\$ (127,952)</u>	<u>\$ (66,003)</u>	<u>\$ (125,553)</u>	<u>\$ (154,454)</u>
Covered-Employee Payroll	\$ 45,857,409	\$ 36,088,460	\$ 36,102,426	\$ 36,102,426	\$ 34,220,839	\$ 34,220,839	\$ 35,929,795	\$ 35,762,732	\$ 36,372,355
Contributions as a Percentage of Covered-Employee Payroll	3.38%	0.00%	4.29%	9.00%	6.43%	3.65%	3.25%	3.43%	3.53%

Key Methods and Assumption Used to Calculate ADC

	Entry Age Normal				Project Unit Credit			
	2 Year Level %	2 Year Level %	2 Year Level %	2 Year Level %	4 Year Level %	24 Year Level %	24 Year Level %	24 Year Level %
Actuarial Cost Method								
Asset Valuation Method								
Amortization Method	2.25%	3.50%	2.25%	3.50%	3.50%	2.50%	2.50%	2.50%
Discount Rate	4.25%	3.50%	2.25%	3.50%	3.50%	2.50%	2.50%	2.50%
Inflation	3.00%	2.00%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%

* The amounts presented for each fiscal year were determined as of the current fiscal year end.

Amounts for prior years were not available.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SUPPLEMENTAL PENSION PLAN
LAST TEN MEASUREMENT PERIODS

Measurement Date as of June 30	2023	2022	2021
Total Pension Liability			
Service Cost	\$ 519,817	\$ 604,170	\$ 590,875
Interest	270,265	173,059	156,102
Changes of Benefit Terms	(2,464,322)	-	-
Differences Between Expected and Actual Experience	(245,004)	-	-
Changes of Assumptions	(99,734)	(561,710)	-
Benefit Payments	(285,954)	-	-
Net Change in Total Pension Liability	(2,304,932)	215,519	746,977
Total Pension Liability - Beginning	7,389,415	7,389,415	6,642,438
 Total Pension Liability - Ending (a)	 \$ 5,084,483	 \$ 7,604,934	 \$ 7,389,415
 Plan Fiduciary Net Position			
Net Investment Income	\$ 44,925	\$ (4,099)	\$ 1,267
Benefit Payments	(285,954)	-	-
Net Change in Plan Fiduciary Net Position	(241,029)	(4,099)	1,267
Plan Fiduciary Net Position - Beginning	1,392,429	1,396,528	1,395,260
 Plan Fiduciary Net Position - Ending (b)	 \$ 1,151,400	 \$ 1,392,429	 \$ 1,396,527
 District's Net Pension Liability - Ending (a) - (b)	 \$ 3,933,083	 \$ 6,212,505	 \$ 5,992,888
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	22.65%	18.31%	18.90%
 Covered-Employee Payroll	\$ 25,441,004	\$ 31,978,622	\$ 31,978,622
 District's Net Pension Liability as a Percentage of Covered-Employee Payroll	15.46%	19.43%	18.74%

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
SUPPLEMENTAL PENSION PLAN
LAST TEN MEASUREMENT PERIODS

	2024	2023	2022
Actuarially Determined Contribution (ADC)	\$ 849,906	\$ 825,151	\$ 801,117
Contributions in Relation to the ADC	-	-	-
Contribution Deficiency (Excess)	<u>\$ 849,906</u>	<u>\$ 825,151</u>	<u>\$ 801,117</u>
 Covered-Employee Payroll	 \$ 25,441,004	 \$ 31,978,622	 \$ 31,978,622
 Contributions as a Percentage of Covered-Employee Payroll	 0.00%	 0.00%	 0.00%

Key Methods and Assumption Used to Calculate ADC

Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Asset Valuation Method	Market Value	Market Value	Market Value
Amortization Method	30 Year Level %	30 Year Level %	30 Year Level %
Discount Rate	2.25%	2.25%	2.25%
Inflation	2.00%	2.00%	2.00%

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

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
WISCONSIN RETIREMENT SYSTEM
LAST TEN MEASUREMENT PERIODS

Plan Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.28329752%	\$ (6,958,562)	\$ 39,381,219	17.67%	102.74%
12/31/15	0.28838483%	4,686,198	41,977,765	11.16%	98.20%
12/31/16	0.28637276%	2,360,395	40,803,968	5.78%	99.12%
12/31/17	0.28426298%	(8,440,105)	40,899,471	20.64%	102.93%
12/31/18	0.27532826%	9,795,316	41,311,126	23.71%	96.45%
12/31/19	0.26790955%	(8,638,627)	41,593,854	20.77%	102.96%
12/31/20	0.25804068%	(16,109,837)	41,127,665	39.17%	105.26%
12/31/21	0.24842113%	(20,023,200)	41,411,272	48.35%	106.02%
12/31/22	0.24212829%	12,827,239	43,273,972	29.64%	95.72%
12/31/23	0.23732799%	3,528,606	44,843,408	7.87%	98.85%

SCHEDULE OF CONTRIBUTIONS
WISCONSIN RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/15	\$ 2,724,452	\$ 2,724,452	\$ -	\$ 39,649,667	6.87%
6/30/16	2,755,291	2,755,291	-	41,247,877	6.68%
6/30/17	2,756,182	2,756,182	-	41,003,322	6.72%
6/30/18	2,759,900	2,759,900	-	40,954,953	6.74%
6/30/19	2,564,845	2,564,845	-	38,785,340	6.61%
6/30/20	2,734,372	2,734,372	-	41,074,516	6.66%
6/30/21	2,774,007	2,774,007	-	40,916,936	6.78%
6/30/22	2,823,784	2,823,784	-	42,809,690	6.60%
6/30/23	2,915,536	2,915,536	-	42,273,972	6.90%
6/30/24	3,222,183	3,222,183	-	45,857,409	7.03%

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

NOTE 1 WISCONSIN RETIREMENT SYSTEM

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

Changes of assumptions:

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

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0 to 6.8%
- Lowering the wage inflation rate from 3.2% to 3.0%
- 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 EFT 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 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- 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 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

The District is required to present the last 10 fiscal years of data; however accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

NOTE 2 OTHER POSTEMPLOYMENT BENEFITS

There were no changes of benefit terms.

The assumption changes that were used to measure the June 30, 2023 total OPEB liabilities, include the following:

- Increasing the discount rate to 4.25%

The District is required to present the last 10 fiscal years of data; however, accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING

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

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

- Based upon requests from District staff, District administration recommends budget proposals to the Board of Education.
- The Board of Education prepares a proposed budget including proposed expenditures and the means of financing them for the July 1 through June 30 fiscal year.
- A public notice is published containing a summary of the budget and identifying the time and place where a public hearing will be held on the proposed budget.
- Pursuant to the public budget hearing, the Board of Education may make alterations to the proposed budget.
- Once the Board of Education (following the public hearing) adopts the budget, no changes may be made in the amount of tax to be levied or in the amount of the various appropriations and the purposes of such appropriations unless authorized by a 2/3 vote of the entire Board of Education.
- Appropriations lapse at year-end unless authorized as a carryover by the Board of Education. The portion of fund balance representing carryover appropriations is reported as a committed or assigned fund balance in the fund financial statements.
- Encumbrance accounting is used by the District as an extension of formal budgetary control during the year.
- The DPI requires the District to separate special education revenues and expenditures from other General Fund amounts.

The District did not have any material violation of legal or contractual provisions for the fiscal year ended June 30, 2024.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Budgetary Information

Budgetary information is derived from the annual operating budget and is presented in accordance with accounting principles generally accepted in the United States of America, except the District adopts a budget for the special education special revenue fund in accordance with requirements from the Wisconsin Department of Public Instruction. In accordance with accounting principles generally accepted in the United States of America, these funds are included as part of the general fund in these financial statements. An explanation of the differences between Revenues, Expenditures, and Other Financing Sources (Uses) for budgetary funds on budgetary fund basis and a U.S. GAAP General Fund basis is summarized below:

	General	Special Education
Revenues:		
Actual Amounts (Budgetary Basis)	\$ 84,118,617	\$ 6,010,644
Reclassification of Special Education Fund	<u>6,010,644</u>	<u>(6,010,644)</u>
Total Revenues	<u>90,129,261</u>	-
Expenditures:		
Actual Amounts (Budgetary Basis)	72,538,867	15,480,696
Reclassification of Special Education Fund	<u>15,480,696</u>	<u>(15,480,696)</u>
Total Expenditures	<u>88,019,563</u>	-
Excess of Revenues Over (Under) Expenditures:		
Actual Amounts (Budgetary Basis)	11,579,750	(9,470,052)
Reclassification of Special Education Fund	<u>(9,470,052)</u>	<u>9,470,052</u>
Excess of Revenues Over (Under) Expenditures	<u>2,109,698</u>	-
Other Financing Sources (Uses)		
Actual Amounts (Budgetary Basis)	(9,525,296)	9,470,052
Reclassification of Special Education Fund	<u>9,470,052</u>	<u>(9,470,052)</u>
Total Other Financing Sources (Uses)	<u>(55,244)</u>	-
Net Change in Fund Balance:		
Actual Amounts (Budgetary Basis)	2,054,454	-
Reclassification of Special Education and Cooperative Program	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>2,054,454</u>	-
Fund Balance - June 30	<u><u>\$ 20,117,051</u></u>	<u><u>\$ -</u></u>

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Excess of Expenditure Over Budget Appropriations

The following expenditure accounts of the governmental funds had actual expenditures in excess of budget appropriations for the year ended June 30, 2024 as follows:

Funds	Excess Expenditures
General Fund:	
Instruction:	
Other Instruction	\$ 120,535
Support Services:	
Pupil Services	16,161
School Administration Services	36,459
Operations and Maintenance of Plant	59,415
Central Services	9,614
Other Support Services	325,920
Nonprogram:	
General Tuition Payments	188,488
Adjustments and Refunds	849
Special Education Fund:	
Support Services:	
Pupil Transportation Services	187,042

The amounts were funded using positive variances in other accounts of the general fund and special education fund.

SUPPLEMENTARY INFORMATION

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

	Special Revenue				Capital Projects			Total Nonmajor Governmental Funds
	Donations	Head Start	Food Service	Community Service	Long-Term Capital Improvement	Capital Projects		
ASSETS								
Cash and Investments	\$ 1,070,373	\$ -	\$ 1,297,304	\$ 241,300	\$ 3,978,122	\$ 870,800	\$ 7,457,899	
Receivables:								
Accounts	3,880	-	-	-	-	-	3,880	
Due from Other Governments	-	225,162	20,178	-	-	-	245,340	
Prepaid Items	4,000	184	19,681	-	-	-	23,865	
Total Assets	<u>\$ 1,078,253</u>	<u>\$ 225,346</u>	<u>\$ 1,337,163</u>	<u>\$ 241,300</u>	<u>\$ 3,978,122</u>	<u>\$ 870,800</u>	<u>\$ 7,730,984</u>	
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts Payable	\$ 1,420	\$ 1,460	\$ 658	\$ 420	\$ -	\$ 24,224	\$ 28,182	
Accrued and Other Current Liabilities	-	95,902	4,360	13,370	-	-	113,632	
Due to Other Funds	-	113,411	-	-	-	-	113,411	
Unearned Revenues	-	14,573	68,693	-	-	-	83,266	
Health and Dental Claims Payable	-	-	4,500	-	-	-	4,500	
Total Liabilities	<u>1,420</u>	<u>225,346</u>	<u>78,211</u>	<u>13,790</u>	<u>-</u>	<u>24,224</u>	<u>342,991</u>	
FUND BALANCES								
Nonspendable	4,000	184	19,681	-	-	-	23,865	
Restricted	1,072,833	-	1,239,271	227,510	3,978,122	846,576	7,364,312	
Unassigned	-	(184)	-	-	-	-	(184)	
Total Fund Balances	<u>1,076,833</u>	<u>-</u>	<u>1,258,952</u>	<u>227,510</u>	<u>3,978,122</u>	<u>846,576</u>	<u>7,387,993</u>	
Total Liabilities and Fund Balances	<u>\$ 1,078,253</u>	<u>\$ 225,346</u>	<u>\$ 1,337,163</u>	<u>\$ 241,300</u>	<u>\$ 3,978,122</u>	<u>\$ 870,800</u>	<u>\$ 7,730,984</u>	

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	Special Revenue				Debt Service		Capital Projects		Total Nonmajor Governmental Funds
	Donations	Head Start	Food Service	Community Service	Cooperative Fund	Nonreferendum Debt Service	Long-Term Capital Improvement	Capital Projects	
REVENUES									
Property Taxes	\$ -	\$ -	\$ -	\$ 557,953	\$ -	\$ -	\$ -	\$ 1,800,000	\$ 2,357,953
Other Local Sources	1,398,519	-	1,255,206	14,431	10,138	13,184	197,210	30,065	2,918,753
Interdistrict Sources	-	-	-	-	66,585	-	-	-	66,585
State Sources	-	-	30,134	-	-	-	-	-	30,134
Federal Sources	-	1,672,584	1,522,117	-	-	-	-	-	3,194,701
Other Sources	-	-	1,561	-	-	-	-	-	1,561
Total Revenues	1,398,519	1,672,584	2,809,018	572,384	76,723	13,184	197,210	1,830,065	8,569,687
EXPENDITURES									
Instruction:									
Regular Instruction	80,192	1,007,890	-	-	-	-	-	-	1,088,082
Vocational Instruction	134,572	-	-	-	-	-	-	-	134,572
Other Instruction	1,014,304	19,398	-	-	129,903	-	-	-	1,163,605
Total Instruction	1,229,068	1,027,288	-	-	129,903	-	-	-	2,386,259
Support Services:									
Pupil Services	7,066	153,404	-	-	-	-	-	-	160,470
Instructional Staff Services	2,257	56,902	-	-	-	-	-	-	59,159
General Administration Services	-	134,877	-	-	-	-	-	-	134,877
School Administration Services	7,146	70,333	-	8,370	-	-	-	-	85,849
Business Services	37,206	-	-	-	-	-	-	-	37,206
Operations and Maintenance of Plant	-	32,077	-	15,263	-	-	-	2,138,515	2,185,855
Pupil Transportation Services	270	176,365	-	12,054	4,064	-	-	-	192,753
Food Services	-	-	3,037,204	-	-	-	-	-	3,037,204
Central Services	-	616	-	-	-	-	-	-	616
Insurance	-	-	35,825	-	-	-	-	-	35,825
Other Support Services	-	-	73,830	-	-	-	-	-	73,830
Total Support Services	53,945	624,574	3,146,859	35,687	4,064	-	-	2,138,515	6,003,644
Debt Service:									
Principal	-	-	-	-	-	1,000,000	-	-	1,000,000
Community Service	-	-	-	623,966	-	-	-	-	623,966
Nonprogram:									
General Tuition Payments	-	20,722	-	-	-	-	-	-	20,722
Total Expenditures	1,283,013	1,672,584	3,146,859	659,653	133,967	1,000,000	-	2,138,515	10,034,591
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	115,506	-	(337,841)	(87,269)	(57,244)	(986,816)	197,210	(308,450)	(1,464,904)
OTHER FINANCING SOURCES									
Transfers In	-	-	-	-	57,244	-	-	-	57,244
NET CHANGE IN FUND BALANCES	115,506	-	(337,841)	(87,269)	-	(986,816)	197,210	(308,450)	(1,407,660)
Fund Balances - July 1	961,327	-	1,596,793	314,779	-	986,816	3,780,912	1,155,026	8,795,653
FUND BALANCES - JUNE 30	\$ 1,076,833	\$ -	\$ 1,258,952	\$ 227,510	\$ -	\$ 3,978,122	\$ 846,576	\$ 7,387,993	

**ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR BASIC FINANCIAL STATEMENTS**



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

Board of Education
West Bend Joint School District #1
West Bend, 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 West Bend Joint School District #1 (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 2, 2024.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

West Bend Joint School District #1's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sheboygan, Wisconsin
December 2, 2024

FEDERAL AND STATE AWARDS



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

Board of Education
West Bend Joint School District #1
West Bend, Wisconsin

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited West Bend Joint School District #1's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and *Wisconsin State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2024. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal and State Program

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

We are required to be independent of the District 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 the District's 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 the District's 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 the District's 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 the *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 the District's 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 the *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 the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's 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 the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of the District's 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 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 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 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 the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sheboygan, Wisconsin
December 2, 2024

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

Grantor Agency/Federal Program Title	Federal Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/23	Value or Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/24	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF AGRICULTURE								
Child Nutrition Cluster:								
School Breakfast Program	10.553	WI DPI	2024-666307-DPI-SB-546	\$ (1,327)	\$ 83,077	\$ 401	\$ 82,151	\$ -
School Breakfast Program	10.553	WI DPI	2024-666307-DPI-SB-SEVERE-546	(3,539)	73,262	2,865	72,588	-
Total School Breakfast Program				(4,866)	156,339	3,266	154,739	-
National School Lunch Program	10.555	WI DPI	2024-666307-DPI-NSL-547	(31,262)	1,043,542	16,912	1,029,192	-
Donated Commodities	10.555	WI DPI	Unknown	-	264,373	-	264,373	-
Total National School Lunch Program				(31,262)	1,307,915	16,912	1,293,565	-
Total Child Nutrition Cluster				(36,128)	1,464,254	20,178	1,448,304	-
Child and Adult Care Food Program	10.558	WI DPI	2023-666307-DPI-CCI-551	-	73,813	-	73,813	-
Total U.S. Department of Agriculture				(36,128)	1,538,067	20,178	1,522,117	-
U.S. DEPARTMENT OF TREASURY								
Washington County Behavioral Health Community ARPA Funds	21.027	Washington Co	N/A	-	36,512	3,572	40,084	-
U.S. DEPARTMENT OF EDUCATION								
Title I Grants to Local Educational Agencies	84.010	WI DPI	2023-666307-DPI-TIA-141	(176,407)	176,407	-	-	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2024-666307-DPI-TIA-141	-	387,405	263,547	650,952	-
Total Title I Grants to Local Educational Agencies				(176,407)	563,812	263,547	650,952	-
Special Education Cluster (IDEA)								
Special Education Grants to States	84.027	WI DPI	2023-666307-DPI-FLOW-341	(268,150)	268,150	-	-	-
Special Education Grants to States	84.027	WI DPI	2024-666307-DPI-FLOW-FT-341	-	893,082	449,282	1,342,364	-
IDEA-CCEIS	84.027	WI DPI	2024-666307-DPI-FLOW-341	(84,884)	249,060	95,734	259,910	-
Special Education Preschool Grants	84.173	WI DPI	2023-666307-DPI-PRESCH-347	(9,297)	9,297	-	-	-
Special Education Preschool Grants	84.173	WI DPI	2024-666307-DPI-PRESCH-347	-	43,105	2,671	45,776	-
Total Special Education Cluster (IDEA)				(362,331)	1,462,694	547,687	1,648,050	-
Career and Technical Education - Basic Grants to States	84.048	WI DPI	2024-666307-DPI-CTE-400	(36,303)	58,365	7,973	30,035	-
Education for Homeless Children and Youth	84.196	WI DPI	2024-666307-DPI-EHCY-C-335	-	8,031	211	8,242	-
English Language Acquisition State Grants	84.365	WI DPI	2023-666307-DPI-TIIA-391	(2,351)	2,351	-	-	-

See accompanying Notes to Schedules of Expenditures of Federal and State Awards.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

Grantor Agency/Federal Program Title	Federal Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/23	Value or Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/24	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF EDUCATION (continued)								
Supporting Effective Instruction State Grants	84.367	WI DPI	2023-666307-DPI-TIIA-365	\$ (9,323)	\$ 9,323	\$ -	\$ -	\$ -
Supporting Effective Instruction State Grants	84.367	WI DPI	2024-666307-DPI-TIIA-365	-	182,100	26,479	208,579	-
Total Supporting Effective Instruction State Grants				(9,323)	191,423	26,479	208,579	-
Student Support and Academic Enrichment Program	84.424	WI DPI	2023-666307-DPI-TIVA-381	(5,117)	5,117	-	-	-
Student Support and Academic Enrichment Program	84.424	WI DPI	2024-666307-DPI-TIVA-381	-	17,238	30,717	47,955	-
Total Student Support and Academic Enrichment Program				(5,117)	22,355	30,717	47,955	-
COVID 19: Education Stabilization Fund	84.425	WI DPI	2023-663307-DPI-ESSERFII-163	(2,117,199)	2,117,199	-	-	-
COVID 19: Education Stabilization Fund	84.425	WI DPI	2024-663307-DPI-ESSERFII-163	-	985,759	-	985,759	-
COVID 19: Education Stabilization Fund	84.425U	WI DPI	2024-663307-DPI-ESSERFIII-165	-	-	1,979,289	1,979,289	-
COVID 19: Education Stabilization Fund	84.425U	WI DPI	2024-663307-DPI-LETRS-165	-	18,975	-	18,975	-
COVID 19: Education Stabilization Fund	84.425U	WI DPI	2023-66307-DPI-ESFSummer-165	-	207,302	179,280	386,582	-
COVID 19: Education Stabilization Fund	84.425W	WI DPI	2023-666307-DPI-ARPHCYII-173	(4,849)	4,849	-	-	-
COVID 19: Education Stabilization Fund	84.425W	WI DPI	2024-666307-DPI-ARPHCYII-173	-	8,892	5,400	14,292	-
Total COVID 19: Education Stabilization Fund				(2,122,048)	3,342,976	2,163,969	3,384,897	-
Total U.S. Department of Education				(2,713,880)	5,663,726	3,112,086	6,061,932	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES								
COVID-19 Child Care Counts Program: Stabilization Payment Program	93.575	WI DCF	N/A	35,523	-	(14,573)	20,950	-
COVID-19 Child Care Counts Program: Stabilization Payment Program	93.575	WI DCF	N/A	-	94,770	-	94,770	-
Total Child Care Counts Program: Stabilization Payment Program				35,523	94,770	(14,573)	115,720	-
Public Health Emergency Response: Cooperative Agreement for Emergency	93.354	CESA 6	N/A	-	43,917	709	44,626	-
Head Start Cluster								
Head Start	93.600	Direct Program	N/A	(86,719)	1,418,421	225,162	1,556,864	-
Medicaid Cluster:								
Medical Assistance Program	93.778	WI DHS	44202700	-	526,070	-	526,070	-
Medical Assistance Program	93.778	WI DHS	44202700	-	293,817	90,201	384,018	-
Total Medicaid Cluster				-	819,887	90,201	910,088	-
Total U.S. Department of Health and Human Services				(51,196)	2,376,995	301,499	2,627,298	-
Total Federal Awards				\$ (2,801,204)	\$ 9,615,300	\$ 3,437,335	\$ 10,251,431	\$ -

Reconciliation to the Basic Financial Statements:

Federal Sources	\$ 10,166,721
Federal Awards Included in Intermediate Sources	84,710
Total Federal Awards	\$ 10,251,431

See accompanying Notes to Schedules of Expenditures of Federal and State Awards.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED JUNE 30, 2024

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number	(Accrued) Deferred Revenue 7/1/23	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/24	Total Expenditures	Subrecipient Payments
WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION								
Special Education and School Age Parents	255.101	Direct Program	666307-100	\$ -	\$ 4,081,859	\$ -	\$ 4,081,859	\$ -
Special Education and School Age Parents	255.101	CESA #1	N/A	(4,591)	4,591	-	-	-
Special Education and School Age Parents	255.101	CESA #6	N/A	(656)	656	249	249	-
Total Special Education and School Age Parents				(5,247)	4,087,106	249	4,082,108	-
State School Lunch Aid	255.102	Direct Program	666307-107	-	24,021	-	24,021	-
Common School Fund Library Aid	255.103	Direct Program	666307-104	-	494,747	-	494,747	-
General Transportation Aid	255.107	Direct Program	666307-102	-	135,206	-	135,206	-
Equalization Aids	255.201	Direct Program	666307-116	-	32,019,702	-	32,019,702	-
High Cost Special Education Aid	255.210	Direct Program	666307-119	-	69,895	-	69,895	-
Aid for School Mental Health Programs	255.227	Direct Program	666307-176	-	19,664	-	19,664	-
MHA Peer-To-Peer Suicide Prevention Grant	255.246	Direct Program	666307-183	(5,000)	5,000	-	-	-
School Based Mental Health	255.297	Direct Program	666307-177	-	196,617	-	196,617	-
Alcohol and Other Drug Abuse	255.306	Direct Program	666307-143	-	14,272	5,424	19,696	-
Head Start Supplement	255.327	Direct Program	666307-145	(23,419)	79,481	55,265	111,327	-
State School Breakfast Aid	255.344	Direct Program	666307-108	-	6,113	-	6,113	-
Tuition Payments by State	255.401	Direct Program	666307-157	-	384,685	-	384,685	-
Tuition Payments by State	255.401	Direct Program	666307-157	-	13,751	-	13,751	-
Early College Credit	255.445	Direct Program	666307-178	-	2,647	-	2,647	-
Educator Effective Evaluation System	255.940	Direct Program	666307-154	-	35,920	-	35,920	-
Per Pupil Aid	255.945	Direct Program	666307-113	-	4,434,192	-	4,434,192	-
Career and Technical Education Incentive Grants	255.950	Direct Program	666307-152	-	95,637	-	95,637	-
Assessments of Reading Readiness	255.956	Direct Program	666307-166	-	19,550	-	19,550	-
Aid for Special Ed Transition Grant BBL	255.960	Direct Program	666307-168	-	28,757	-	28,757	-
Total Wisconsin Department of Public Instruction				(33,666)	42,166,963	60,938	42,194,235	-
WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT								
Youth Apprenticeship	455.107	CESA #6	N/A	-	14,367	-	14,367	-
Technical Education Equipment Grant Program	455.109	Direct Program	N/A	-	-	32,500	32,500	-
Total Wisconsin Department of Workforce Development				-	14,367	32,500	46,867	-
Total State Programs				\$ (33,666)	\$ 42,181,330	\$ 93,438	\$ 42,241,102	\$ -

Reconciliation to the Basic Financial Statements:

State Sources	\$ 42,486,010
Less: State Sources not Considered State Financial Assistance	
State Tax Computer Aid	(127,112)
Personal Property Aid	(133,850)
Payments in Lieu of Taxes	(14,745)
Other Revenue not Included in Above Schedule	(1,950)
Add: Intermediate Aid	32,749
Total State Awards	<u><u>\$ 42,241,102</u></u>

See accompanying Notes to Schedules of Expenditures of Federal and State Awards.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2024

NOTE 1 BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards for the West Bend Joint School District #1 are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

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

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the District's 2024 fund financial statements. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the District in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded District expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances.

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

NOTE 3 FOOD DISTRIBUTION

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

NOTE 4 OVERSIGHT AGENCIES

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

Federal – U.S. Department of Health and Human Services
State – Wisconsin Department of Public Instruction

NOTE 5 DONATED SERVICES

The District receives an undeterminable amount of donated services from a variety of unpaid volunteers assisting the Head Start program. Therefore, no amounts have been recorded in the schedule of expenditures of federal awards.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
 - Material weakness(es) identified? _____ yes no
 - Significant deficiency(ies) identified? yes _____ none reported
3. Noncompliance material to financial statements noted? _____ yes no

Federal and State Awards

1. Internal control over major federal programs:
 - Material weakness(es) identified? _____ yes no
 - Significant deficiency(ies) identified? _____ yes none reported
2. Type of auditors' report issued on compliance for major federal and state programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes no
4. Any audit findings disclosed that are required to be reported in accordance with the *State Single Audit Guidelines*? _____ yes no

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Section I – Summary of Auditors' Results (Continued)

Identification of Major Federal Programs

Assistance Listing Numbers	Name of Federal Program or Cluster
84.027	Special Education <i>Cluster</i>
84.173	Special Education Grants to States
	Special Education Preschool Grants
84.425	COVID 19: Education Stabilization Funds
84.425U	COVID 19: Education Stabilization Funds
84.425W	COVID 19: Education Stabilization Funds

Identification of Major State Programs

State ID Numbers	Name of State Program
255.101	Special Education and School Age Parents
255.201	Equalization Aids
255.401	Tuition Payments by State

Dollar threshold used to distinguish between
Type A and Type B programs:

Federal Awards	\$ <u>750,000</u>
State Awards	\$ <u>1,000,000</u>
Auditee qualified as low-risk auditee?	<u> </u> yes <u> </u> X no

**WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Section II – Financial Statement Findings

2024 – 001: Preparation of Financial Statements

Type of Finding:

- Significant Deficiency in Internal Control Over Financial Reporting

Condition: Current District staff maintains accounting records which reflect the District's financial transactions; however, preparing the District's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require specific governmental experience and knowledge. The District contracts with us and our knowledge of applicable accounting principles, financial statement format, and note disclosures to assist in the preparation of the annual financial report in an efficient manner. However, as independent auditors, CLA cannot be considered part of the District's internal control system. As part of its internal control over preparation of its financial statements, including disclosures, the District had implemented a comprehensive review procedure to ensure that the financial statements, including note disclosures, are complete and accurate.

Criteria or specific requirement: The preparation and review of the annual financial report by staff with expertise in governmental financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes or other required state financial reports.

Effect: Historically, without our involvement, the District may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.

Cause: Historically District management had determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweighed the derived benefits.

Repeat finding: Repeat of Finding 2023-001

Recommendation: We recommend that the District continue to review the annual financial report prior to issuance. Such review procedures should be performed by an individual possessing a thorough understanding of accounting principles generally accepted in the United States of America and knowledge of the District's activities and operations. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the District is necessary to obtain a complete and adequate understanding of the District's annual financial report.

Views of responsible officials: There is no disagreement with the finding. Management will continue to have appropriate staff review and approve draft financial statements prior to issuance.

WEST BEND JOINT SCHOOL DISTRICT #1
WEST BEND, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2024

Section III –Major Federal and State Programs

There are no findings related to the Federal and State Award schedule required to be reported in accordance with 2 CFR 200.516(a) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration for the year ended June 30, 2024.

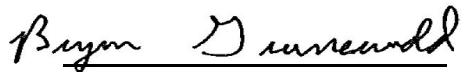
Section IV – Other Issues

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

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

Department of Health Services No
Department of Public Instruction No
Department of Workforce Development No

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

4. Name and signature of principal 
Bryan F. Grunewald, CPA

5. Date of report December 2, 2024



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAglobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.