

SCHOOL DISTRICT OF
WISCONSIN DELLS, WISCONSIN

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2023

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SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

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FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information
- Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the District's independent auditing firm.



INDEPENDENT AUDITORS' REPORT

DATE

Members of the Board of Education
School District of Wisconsin Dells
Wisconsin Dells, Wisconsin

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School District of Wisconsin Dells, Wisconsin, as of and for the year ended June 30, 2023, 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, 2023, 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 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 Auditor's 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.

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

School District of Wisconsin Dells, Wisconsin
DATE

Required Supplementary Information - Continued

Management has omitted a Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District of Wisconsin Dells, Wisconsin's basic financial statements. The other supplementary information and supplemental schedules are 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 auditing standards generally accepted in the United States of America. In our opinion, other supplementary information and supplemental schedules 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 DATE, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

LAUTERBACH & AMEN, LLP

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Fiduciary Fund

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Statement of Net Position

June 30, 2023

See Following Page

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Statement of Net Position

June 30, 2023

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 10,732,701
Receivables - Net of Allowances	
Taxes	6,631,660
Accounts	2,523
Due from Other Governments	<u>1,719,632</u>
Total Current Assets	<u>19,086,516</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	13,408,580
Depreciable	81,015,632
Accumulated Depreciation	<u>(20,703,760)</u>
Total Noncurrent Assets	<u>73,720,452</u>
Total Assets	<u>92,806,968</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - WRS	12,857,446
Deferred Items - LRLIF	54,822
Deferred Items - RBP	<u>1,625,354</u>
Total Deferred Outflows of Resources	<u>14,537,622</u>
Total Assets and Deferred Outflows of Resources	<u>107,344,590</u>

The notes to the financial statements are an integral part of this statement.

	Governmental Activities
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 653,440
Withholdings and Related District Fringes Payable	949,489
Accrued Payroll	788,841
Claimed Vested Benefits Payable	6,504
Deposits Payable	94,756
Deferred Revenues	66,051
Health Benefits Claims Payable	14,233
Accrued Interest Payable	328,652
Current Portion of Long-Term Debt	1,123,868
Total Current Liabilities	<u>4,025,834</u>
Noncurrent Liabilities	
Compensated Absences	57,268
Net Pension Liability - WRS	3,535,142
Net OPEB Liability - LRLIF	111,232
Net OPEB Liability - RBP	5,377,972
General Obligation Bonds - Net	23,314,867
Installment Contracts Payable	71,170
Total Noncurrent Liabilities	<u>32,467,651</u>
Total Liabilities	<u>36,493,485</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Items - WRS	7,401,282
Deferred Items - RBP	1,703,300
Deferred Items - LRLIF	89,460
Total Deferred Inflows of Resources	<u>9,194,042</u>
Total Liabilities and Deferred Inflows of Resources	<u>45,687,527</u>
NET POSITION	
Net Investment in Capital Assets	49,224,864
Restricted	
Common School Fund	88,000
Self-Funded Insurance	184,968
Special Revenue	1,040,832
Food Service	489,656
Debt Service	208,994
Capital Projects	2,584,464
Unrestricted	<u>7,835,285</u>
Total Net Position	<u>61,657,063</u>

The notes to the financial statements are an integral part of this statement.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Statement of Activities

For the Fiscal Year Ended June 30, 2023

	Expenses	Program Revenues			(Expenses)/
		Charges for Services	Operating Grants/ Contributions	Operating Grants/ Contributions	Revenues Governmental Activities
Governmental Activities					
Instruction	\$ 14,854,613	1,270,740	5,662,865	—	(7,921,008)
Support Services	10,580,878	315,394	943,722	10,500,000	1,178,238
Community Services	86,636	—	—	—	(86,636)
Non-Program Transactions	3,663,821	—	—	—	(3,663,821)
Interest on Long-Term Debt	877,778	—	—	—	(877,778)
Total Governmental Activities	<u>30,063,726</u>	<u>1,586,134</u>	<u>6,606,587</u>	<u>10,500,000</u>	<u>(11,371,005)</u>
General Revenues					
Taxes					
Property Taxes					15,762,088
Property Taxes Levied for Specific Purposes					4,094,784
Other Taxes					89,996
Federal and State - Unrestricted					
General Aid					3,638,307
Investment Income					310,718
Miscellaneous					100,890
					<u>23,996,783</u>
Change in Net Position					12,625,778
Net Position - Beginning as Restated					<u>49,031,285</u>
Net Position - Ending					<u>61,657,063</u>

The notes to the financial statements are an integral part of this statement.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Balance Sheet - Governmental Funds

June 30, 2023

	General	Capital Projects	Nonmajor	Totals
ASSETS				
Cash and Investments	\$ 5,710,496	1,465,712	3,556,493	10,732,701
Receivables - Net of Allowances				
Taxes	6,631,660	—	—	6,631,660
Accounts	2,523	—	—	2,523
Due from Other Funds	109,835	—	50,000	159,835
Due from Other Governments	1,624,715	—	94,917	1,719,632
Total Assets	14,079,229	1,465,712	3,701,410	19,246,351
LIABILITIES				
Accounts Payable	245,734	353,175	60,771	659,680
Withholdings and Related District Fringes Payable	931,728	—	17,761	949,489
Accrued Payroll	788,841	—	—	788,841
Claimed Vested Benefits Payable	6,504	—	—	6,504
Due to Other Funds	144,288	—	9,307	153,595
Deposits Payable	86,472	—	8,284	94,756
Deferred Revenues	825	—	65,226	66,051
Health Benefits Claims Payable	14,233	—	—	14,233
Total Liabilities	2,218,625	353,175	161,349	2,733,149
FUND BALANCES				
Restricted	272,968	1,112,537	3,540,061	4,925,566
Committed	369,671	—	—	369,671
Assigned	758,669	—	—	758,669
Unassigned	10,459,296	—	—	10,459,296
Total Fund Balances	11,860,604	1,112,537	3,540,061	16,513,202
Total Liabilities and Fund Balances	14,079,229	1,465,712	3,701,410	19,246,351

The notes to the financial statements are an integral part of this statement.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

June 30, 2023

Total Governmental Fund Balances	\$ 16,513,202
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Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	73,720,452
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Deferred Outflows/Inflows of Resources related to the OPEB and retirement plans not reported in the funds.

Deferred Items - WRS	5,456,164
Deferred Items - LRLIF	(34,638)
Deferred Items - RBP	(77,946)

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

Compensated Absences Payable	(71,585)
Net Pension Liability - WRS	(3,535,142)
Net OPEB Liability - LRLIF	(111,232)
Net OPEB Liability - RBP	(5,377,972)
General Obligation Bonds - Net	(24,374,867)
Installment Contracts Payable	(120,721)
Accrued Interest Payable	(328,652)

Net Position of Governmental Activities	<u><u>61,657,063</u></u>
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SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

**Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2023**

	General	Capital Projects	Nonmajor	Totals
Revenues				
Local Sources				
Property Tax	\$ 15,762,088	—	4,094,784	19,856,872
Other Taxes	89,996	—	—	89,996
Investment Income	193,355	10,554	106,809	310,718
Other	101,896	10,500,000	922,241	11,524,137
Interdistrict Payments within Wisconsin	1,056,692	—	—	1,056,692
Intermediate Sources	73,576	—	—	73,576
State Sources	6,928,130	—	22,636	6,950,766
Federal Sources	1,875,926	—	849,931	2,725,857
Other Revenues	60,844	—	40,046	100,890
Total Revenues	26,142,503	10,510,554	6,036,447	42,689,504
Expenditures				
Instruction	13,339,204	—	528,296	13,867,500
Support Services	9,066,124	10,894,808	1,398,377	21,359,309
Community Services	—	—	76,076	76,076
Non-Program Transactions	2,123,330	—	13,543	2,136,873
Debt Service				
Principal Retirement	74,252	—	1,045,000	1,119,252
Interest and Fiscal Charges	7,873	—	1,017,294	1,025,167
Total Expenditures	24,610,783	10,894,808	4,078,586	39,584,177
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,531,720	(384,254)	1,957,861	3,105,327
Other Financing Sources (Uses)				
Payment to Escrow Agent	—	—	(2,999,192)	(2,999,192)
Disposal of Capital Assets	473,897	—	—	473,897
Transfers In	—	—	800,000	800,000
Transfers Out	(800,000)	—	—	(800,000)
	(326,103)	—	(2,199,192)	(2,525,295)
Net Change in Fund Balances	1,205,617	(384,254)	(241,331)	580,032
Fund Balances - Beginning as Restated	10,654,987	1,496,791	3,781,392	15,933,170
Fund Balances - Ending	11,860,604	1,112,537	3,540,061	16,513,202

The notes to the financial statements are an integral part of this statement.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the
Governmental Funds to the Statement of Activities - Governmental Activities
For the Fiscal Year Ended June 30, 2023**

Net Change in Fund Balances - Total Governmental Funds	\$ 580,032
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Amounts reported for Governmental Activities in the Statement of Activities are different because:

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

Capital Outlays	11,459,953
Depreciation Expense	(2,011,596)
Disposals - Cost	(1,241,675)
Disposals - Accumulated Depreciation	701,572

Changes in Deferred Items Related to OPEB and Pensions

Change in Deferred Items - WRS	8,019,769
Change in Deferred Items - LRLIF	(89,858)
Change in Deferred Items - RBP	4,923

The issuance of long-term debt provides current financial resources to Governmental Funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	(9,453)
Change in Net Pension Liability/(Asset) - WRS	(9,013,555)
Change in Net OPEB Liability - LRLIF	79,123
Change in Net OPEB Liability - RBP	(119,290)
Retirement of Long-Term Debt	4,134,252
Amortization on Bond Premium	121,298
Change in in Accrued Interest Payable	10,283

Changes in Net Position of Governmental Activities	<u>12,625,778</u>
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SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Statement of Fiduciary Net Position

June 30, 2023

	<u>Other Post-Employment Benefits Trust</u>
ASSETS	
Cash and Investments	\$ 3,055,676
Due from Other Funds	<u>102,170</u>
Total Assets	3,157,846
LIABILITIES	
Due to Other Funds	<u>108,410</u>
NET POSITION	
Net Position Restricted for Employee Benefits	<u><u>3,049,436</u></u>

The notes to the financial statements are an integral part of this statement.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

**Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2023**

	<u>Other Post-Employment Benefits Trust</u>
Additions	
Contributions - Employer	\$ 588,082
Contributions - Plan Members	<u>77,918</u>
Total Contributions	666,000
Investment Income	
Interest Earned	<u>40,032</u>
Total Additions	706,032
Deductions	
Post-Employment Benefits	<u>551,092</u>
Change in Fiduciary Net Position	154,940
Net Position Restricted for Employee Benefits	
Beginning	<u>2,894,496</u>
Ending	<u><u>3,049,436</u></u>

The notes to the financial statements are an integral part of this statement.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The School District of Wisconsin Dells, Wisconsin (the “District”) is organized as a common school district. The District, governed by a seven-member elected school board, operates grades Kindergarten through 12 and is comprised of all or parts of fifteen taxing districts.

The financial statements of the District are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the District’s accounting policies established under GAAP and used by the District are described below.

REPORTING ENTITY

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 61, “The Financial Reporting Omnibus - an Amendment of GASB Statements No. 14 and No. 34” and includes all component units that have a significant operational or financial relationship with the District. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Statements

The District’s basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District’s major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The District’s operating activities are all considered governmental activities, that is, activities normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered business-type activities.

In the government-wide Statement of Net Position, the governmental activities column is (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The District’s net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District’s functions (instruction, support services, community services, non-program transactions etc.). The functions are supported by general government revenues (property taxes, general state aid, investment income, etc.).

The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) changes to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

The net costs (by function) are normally covered by general revenue (property taxes and investment income, etc.).

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the District:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

General Fund is the general operating and special education fund of the District. It accounts for all financial resources except those required to be accounted for in another fund. Revenues consist largely of local property taxes and state government aid. The General Fund is a major fund.

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes, other than those accounted for in the debt service fund or capital projects funds. The District maintains four nonmajor special revenue funds.

Debt service funds are used to account for the financial resources to be used for the payment of general long-term debt principal, interest, and related costs. The District maintains one nonmajor debt service funds.

Capital projects funds are used to account for financial resources of the District to be used for capital expenditures related to buildings and sites. The Capital Projects Fund, a major fund, is used to account for the resources restricted for the acquisition or construction of specific capital projects or items. Additionally, the District maintains one nonmajor capital projects fund.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

Special purpose trust funds are used to account assets held in a trustee capacity for other employee benefit payments. The Post-Employment Benefits Trust Fund accounts for contributions made by the District on behalf of retired employees for their other post-employment benefits.

The District's special purpose trust fund is presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the District, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded, regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities governmental activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The accounting objectives of the "economic resources" measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

All special purpose trust funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Special purpose trust funds equity is classified as net position.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The District recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, certain state and federal aid, and investment income. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All special purpose trust funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with a fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the District's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes and accounts.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Internal service fund services provided and used are not eliminated in the process of consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Capital Assets

Capital assets purchased or acquired with an original cost of \$1,000 or more, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical costs based on replacement costs.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Land Improvements	20 - 50 Years
Buildings and Building Improvements	15 - 20 Years
Furniture and Equipment	5 - 20 Years
Vehicles	8 Years

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

Pensions

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

Other Post-Employment Benefits (OPEB)

The fiduciary net position of the Local Retiree Life Insurance Fund ("LRLIF") has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Compensated Absences

The District accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as "terminal leave" prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

The District employees are granted vacation in varying amounts, based on length of service. Vacation leave earned in the preceding year must be used within one year of the employee's anniversary date. They may carry over to the following year up to two weeks of their annual vacation or receive a cash payout for up to two weeks.

The District's policy allows employees to earn varying amounts of sick pay for each year employed, accumulating to a maximum vested amount of 200 days for teachers, 120 days for full-time support staff, and no maximum for administrators, supervisors and non-represented support staff. Upon retirement or termination of employment, the employee is entitled to a per qualifying day payout, based upon the appropriate labor agreement.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Long-Term Obligations

In the government-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 using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types 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.

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted - All other net position balances that do not meet the definition of "restricted" or "investment in capital assets."

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

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

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

- Based upon requests from District staff, District administration recommends budget proposals to the School Board.
- The School Board 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 School Board may alter the proposed budget.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

BUDGETARY INFORMATION - Continued

- After the School Board (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 School Board.

The District is legally required by the State of Wisconsin to maintain and budget separately for a Special Education Fund. GASB Statement No. 54 requires the Special Education Fund to be combined with the General Fund in the basic financial statements. Due to the perspective differences in budgeting, the required supplementary information reports the budgetary comparison information separately for the General Fund and the Special Education Fund.

Except as noted in the previous paragraph, annual budgets are adopted on a basis consistent with U.S generally accepted accounting principles for all governmental and special revenue funds.

Appropriations lapse at year-end unless authorized as a carryover by the School Board.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
Special Education Account - General	\$ 258,187
Special Revenue	146,290
Title IV Native American	5,240
Food Service	377,686
Referendum Debt Service	16,380

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the District's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Permitted Deposits and Investments - Statutes authorize the District to make deposits/invest in:

- Time deposits in any credit union, bank, savings bank, trust company or savings and loan association maturing in three years or less.
- Bonds or securities of any county, city, drainage district, technical college district, district, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, or by the University of Wisconsin Hospitals and Clinics Authority.
- Bonds or securities issued or guaranteed by the federal government.
- The local government investment pool

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

- Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- Repurchase agreements with public depositories, with certain conditions.

The District has adopted an investment policy which permits all investments authorized under state statutes as described above.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission but operates under the statutory authority of Wisconsin Chapter 25. Investments in the LGIP are covered under a surety bond issued by Financial Security Assurance, Inc. The bond insures against losses arising from principal defaults on substantially all types of securities acquired by the pool except U.S. Government and agency securities. The bond provides unlimited coverage on principal losses, reduced by any FDIC and State of Wisconsin Guarantee Fund Insurance.

The deposits and investments of the Other Post-Employment Benefit Fund are held separately from those of other City funds. The investments of the Other Post-Employment Benefit Fund are solely in group annuity contracts. The group annuity contract is valued at contract value. The contract value for the group annuity contract represents contributions made under the contract, plus earnings, less payments made to retirees and terminated participants.

District

Deposits. At year-end, the carrying amount of the District's deposits for governmental activities totaled \$5,918,105 and the bank balances totaled \$6,690,768. In addition, the District has \$4,814,596 invested in LGIP which have average maturities of less than one year.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District's investment policy minimizes this risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby, avoiding the need to sell securities on the open market prior to maturity.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The District's investments in LGIP are not rated.

Custodial Credit Risk - Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District would 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. Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000. Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

District - Continued

Custodial Credit Risk - Investments. For an investment, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy eliminates this risk by permitting brokers hold investments only to the extent there is SIPC and excess SIPC coverage available. Securities purchases that exceed available SIPC coverage shall be transferred to the District custodian. The District's investments in LGIP are not subject to custodial credit risk.

Concentration Risk. This is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District does not have a formal investment policy that specifically addresses concentration risk. At year-end, the District does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

OPEB

Investments. At year-end, the Fund has \$3,055,676 invested in group annuity contracts which have average maturities of less than one year.

Interest Rate Risk. The District's investment policy minimizes this risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby, avoiding the need to sell securities on the open market prior to maturity.

Credit Risk. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Funds investments in the fixed annuity trust are not rated.

Custodial Credit Risk - Deposits. Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000. Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

Custodial Credit Risk - Investments. The District's investment policy eliminates this risk by permitting brokers hold investments only to the extent there is SIPC and excess SIPC coverage available. Securities purchases that exceed available SIPC coverage shall be transferred to the District custodian. The Fund's investments in the fixed annuity trusts are not subject to custodial credit risk.

Concentration Risk. The District does not have a formal investment policy that specifically addresses concentration risk. At year-end, the District does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

OPEB - Continued

Rate of Return. At year-end, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.35%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes are recognized as revenue in the period for which the taxes are levied if they are due in the current year and available to pay current liabilities. The 2022 tax levy is used to finance operations of the District's fiscal year ended June 30, 2023. All property taxes are considered due on January 1, when an enforceable lien is assessed against the property and the taxpayer is liable for the taxes. All taxes are collected within 60 days of June 30 and are available to pay current liabilities.

INTERFUND BALANCES

Interfund balances result from the time lag between when transactions are recorded in the accounting system and payments between funds are made. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 1,425
General	Other Post-Employment Benefit	108,410
Nonmajor Governmental	General	50,000
Other Post-Employment Benefit	General	94,288
Other Post-Employment Benefit	Nonmajor Governmental	7,882
		<u>262,005</u>

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Nonmajor Governmental	General	<u>\$ 800,000</u>

Transfers are used to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Restated Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 2,104,458	—	—	2,104,458
Construction in Progress	626,217	10,677,905	—	11,304,122
	<u>2,730,675</u>	<u>10,677,905</u>	<u>—</u>	<u>13,408,580</u>
Depreciable Capital Assets				
Land Improvements	3,060,014	24,815	62,715	3,022,114
Buildings and Building Improvements	72,118,053	—	1,016,950	71,101,103
Furniture and Equipment	3,594,985	413,029	162,010	3,846,004
Vehicles	2,702,207	344,204	—	3,046,411
	<u>81,475,259</u>	<u>782,048</u>	<u>1,241,675</u>	<u>81,015,632</u>
Less Accumulated Depreciation				
Land Improvements	1,165,763	128,484	62,715	1,231,532
Buildings and Building Improvements	13,842,497	1,464,937	615,255	14,692,179
Furniture and Equipment	2,358,332	203,974	23,602	2,538,704
Vehicles	2,027,144	214,201	—	2,241,345
	<u>19,393,736</u>	<u>2,011,596</u>	<u>701,572</u>	<u>20,703,760</u>
Total Net Depreciable Capital Assets	<u>62,081,523</u>	<u>(1,229,548)</u>	<u>540,103</u>	<u>60,311,872</u>
Total Net Capital Assets	<u>64,812,198</u>	<u>9,448,357</u>	<u>540,103</u>	<u>73,720,452</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 30,049
Support Services	444,039
Community Services	10,560
Non-Program Transaction	<u>1,526,948</u>
	<u>2,011,596</u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

Installment Contracts

The District issues installment contracts payable to provide funds for the purchase of capital assets. Installment contracts currently outstanding are as follows:

Issue	Restated Beginning Balances	Issuances	Retirements	Ending Balances
\$82,331 Installment Contract of 2018: Chromebook, due in annual installments of \$20,373 including interest through June 30, 2023.	\$ 6,544	—	6,544	—
\$81,845 Installment Contract of 2019: Chromebook, due in annual installments of \$20,811 including interest through June 30, 2023.	20,511	—	20,511	—
\$8,093 Installment Contract of 2020: High School Office Copier, due in monthly installments of \$166 including interest at 8.50% through September 15, 2025.	5,512	—	1,574	3,938
\$35,162 Installment Contract of 2021A: Chromebook, due in annual installments of \$8,638 including interest at 3.44% through January 15, 2025.	18,799	—	7,991	10,808
\$37,740 Installment Contract of 2021B: Chromebook, due in annual installments of \$9,236 including interest at 3.44% through March 31, 2025.	20,248	—	8,540	11,708
\$153,386 Installment Contract of 2021C: Multiple Copier Leases, due in monthly installments of \$2,899 including interest at 5.00% through June 10, 2026.	123,359	—	29,092	94,267
	<u>194,973</u>	<u>—</u>	<u>74,252</u>	<u>120,721</u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$14,270,000 General Obligation Refunding Bonds of 2019A, due in annual installments of \$1,500,000 to \$1,235,000 plus interest at 3.00% to 5.00% through March 1, 2035.	\$ 12,770,000	—	—	12,770,000
\$9,340,000 General Obligation Refunding Bonds of 2019B, due in annual installments of \$240,000 to \$1,455,000 plus interest at 3.25% to 4.00% through March 1, 2039.	9,100,000	—	3,015,000 *	6,085,000
\$9,500,000 General Obligation Bonds of 2020, due in annual installments of \$790,000 to \$2,260,000 plus interest at 2.00% to 4.00% through March 1, 2027.	5,525,000	—	1,045,000	4,480,000
	<u>27,395,000</u>	<u>—</u>	<u>4,060,000</u>	<u>23,335,000</u>

*Refunded

Defeased Debt

On March 21, 2023 the District used \$2,999,192 of fund balance reserves to defease \$3,015,000 of the General Obligation Bonds Series 2019B. The District defeased bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payment of the old bonds. Since the requirements that normally satisfy defeasance have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's basic financial statements. Through this refunding, the District reduced its total debt service by \$1,732,200 and obtained an economic gain of \$384,346.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	General Obligation Bonds		Installment Contracts	
	Principal	Interest	Principal	Interest
2024	\$ 1,060,000	883,694	49,551	5,101
2025	1,105,000	841,294	39,614	2,784
2026	1,140,000	797,094	31,556	798
2027	1,175,000	813,306	—	—
2028	1,235,000	828,469	—	—
2029	1,530,000	766,719	—	—
2030	1,595,000	690,219	—	—
2031	1,645,000	640,377	—	—
2032	1,700,000	586,913	—	—
2033	1,760,000	535,913	—	—
2034	1,830,000	465,513	—	—
2035	1,955,000	392,313	—	—
2036	2,035,000	314,113	—	—
2037	2,115,000	232,713	—	—
2038	1,455,000	148,106	—	—
Totals	<u>23,335,000</u>	<u>8,936,756</u>	<u>120,721</u>	<u>8,683</u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liabilities Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Restated Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 62,132	18,906	9,453	71,585	14,317
Net Pension Liability/(Asset) - WRS	(5,478,413)	9,013,555	—	3,535,142	—
Net OPEB Liability - LRLIF	190,355	—	79,123	111,232	—
Net OPEB Liability - RBP	5,258,682	119,290	—	5,377,972	—
General Obligation Bonds	27,395,000	—	4,060,000	23,335,000	1,060,000
Unamortized Bond Premiums	1,161,165	—	121,298	1,039,867	—
Installment Contracts	194,973	—	74,252	120,721	49,551
	<u>28,783,894</u>	<u>9,151,751</u>	<u>4,344,126</u>	<u>33,591,519</u>	<u>1,123,868</u>

Payments on the compensated absences, the net OPEB liabilities, and the total pension liability/(asset), and installment contracts payable will generally be repaid from the General Fund. Payments on the general obligation bonds are repaid by the Referendum Debt Service Fund.

Legal Debt Margin

Wisconsin State Statute 67.03 limits total general obligation indebtedness of the District to ten percent of the equalized value of taxable property within the District's jurisdiction. The legal debt limit at year-end was as follows:

Assessed Valuation - 2022	<u>\$ 3,561,310,882</u>
Legal Debt Limit - 10% of Assessed Value	356,131,088
Amount of Debt Applicable to Limit	<u>23,335,000</u>
Legal Debt Margin	<u>332,796,088</u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS

In the governmental fund financial statements, the District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Capital Projects	Nonmajor	Totals
Fund Balances				
Restricted				
Common School Fund	\$ 88,000	—	—	88,000
Self-Funded Insurance	184,968	—	—	184,968
Special Revenue	—	—	1,040,832	1,040,832
Food Service	—	—	489,656	489,656
Debt Service	—	—	537,646	537,646
Capital Projects	—	1,112,537	1,471,927	2,584,464
	<u>272,968</u>	<u>1,112,537</u>	<u>3,540,061</u>	<u>4,925,566</u>
Committed				
Athletic Complex	199,627	—	—	199,627
HRA Allocations	77,824	—	—	77,824
Health and Dental Premiums	92,220	—	—	92,220
	<u>369,671</u>	<u>—</u>	<u>—</u>	<u>369,671</u>
Assigned				
HRA Reimbursement	209,842	—	—	209,842
Facility Improvements	162,352	—	—	162,352
Maintenance	286,475	—	—	286,475
Budget Deficit	100,000	—	—	100,000
	<u>758,669</u>	<u>—</u>	<u>—</u>	<u>758,669</u>
Unassigned	<u>10,459,296</u>	<u>—</u>	<u>—</u>	<u>10,459,296</u>
Total Fund Balances	<u>11,860,604</u>	<u>1,112,537</u>	<u>3,540,061</u>	<u>16,513,202</u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Education; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Education's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Education itself or b) a body or official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. The District's highest level of decision-making authority is the Board of Education, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

NET POSITION CLASSIFICATION

Net investment in capital assets was comprised of the following as of June 30, 2023:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 73,720,452
Less: Capital Related Debt	
General Obligation Bonds	(23,335,000)
Installment Contracts	(120,721)
Unamortized Bond Premium	<u>(1,039,867)</u>
Net Investment in Capital Assets	<u><u>49,224,864</u></u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION/FUND BALANCE RESTATEMENT

Beginning net position/fund balance was restated to move the Food Service Fund from business-type activities to governmental activities and to correct an error in recognition of debt. The following is a summary of the net position/fund balance as originally reported and as restated:

<u>Net Position/Fund Balance</u>	<u>As Reported</u>	<u>As Restated</u>	<u>Increases (Decreases)</u>
Governmental Activities	\$ 48,041,134	49,031,285	990,151
Business-Type Activities	1,010,662	—	(1,010,662)
Food Service Fund	1,010,662	624,466	(386,196)

NOTE 4 - OTHER INFORMATION

LIMITATION OF SCHOOL DISTRICT REVENUES

Wisconsin Statutes limit the amount of revenues that school districts may derive from general school aids and property taxes unless a higher amount is approved by a referendum. The annual revenue increase from these sources is limited to an allowable per member increase which is determined by the legislature. This limitation does not apply to revenues needed for the payment of any general obligation debt service (including refinanced debt) authorized by either of the following:

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

CONTINGENT LIABILITIES

Litigation

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

State and Federal Contingencies

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under the terms of the grant. Management believes such disallowance, if an, would be immaterial.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

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; natural disasters; and injuries to the District's employees. The District has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

Self-Funded Insurance Program

On September 1, 2006, the District established a self-funded dental benefit plan for its employees. The Plan administrator and named fiduciary, School District of Wisconsin Dells, and the claims administrator, Delta Dental of Wisconsin, 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, 2022.

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.

The District had no stop-loss coverage for dental care coverage of the Plan. At June 30, 2023, the District has reported a liability of \$14,233, which represents unreported claims which were incurred on or before June 30, 2023, but were not paid by the District as of that date. This liability was determined by the claim's administrator. Changes in the balances of claims liabilities are as follows:

	2023	2022
Claims Payable - Beginning	\$ 15,917	12,685
Incurred Claims	206,498	199,150
Claims Paid	(208,182)	(195,918)
Claims Payable - Ending	<u>14,233</u>	<u>15,917</u>

JOINTLY GOVERNED ORGANIZATION

The District is served by Cooperative Education Service Agency No. 5 (CESA). CESA is a regional service entity organized to serve the education needs of 35 school districts in all or parts of Adams, Clark, Columbia, Dane, Dodge, Green Lake, Jackson, Juneau, Marathon, Marquette, Monroe, Portage, Sauk, Waupaca, Waushara, and Wood Counties. CESA is governed by an 11-member board of control elected from a delegate assembly, which consists of one school board member from each of the school districts in the CESA region, with special provisions made for areas served by union high/K-8 districts. Participating school districts have neither an ongoing financial interest nor responsibility.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEMS

Wisconsin Retirement System (WRS)

Plan Descriptions

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

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

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

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

Vested participants may retire at 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.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEMS - Continued

Wisconsin Retirement System (WRS) - Continued

Plan Descriptions - Continued

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2013	(9.6%)	9.0%
2014	4.7%	25.0%
2015	2.9%	2.0%
2016	0.5%	(5.0%)
2017	2.0%	4.0%
2018	2.4%	17.0%
2019	—%	(10.0%)
2020	1.7%	21.0%
2021	5.1%	13.0%
2022	7.4%	15.0%

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

During the reporting period, the WRS recognized \$502,720 in contributions from the employer.

Contributions rates as of June 30, 2023 are:

Employee Category	Employee	Employer
General (including teachers, executive, and elected official)	6.80%	6.80%

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEMS - Continued

Wisconsin Retirement System (WRS) - Continued

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

At June 30, 2023, the District reported a net pension liability of \$3,535,142 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to December 31, 2022. 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, 2022, the District's proportion was 0.06672972%, which was a decrease of 0.00123912% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the District recognized pension expense of \$1,496,506.

For the year ended June 30, 2023, 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	Totals
Differences Between Expected and Actual Experience	\$ 5,630,387	(7,397,064)	(1,766,677)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	6,005,392	—	6,005,392
Changes of Assumptions	695,155	—	695,155
Changes in Proportion and Differences Between Employer			
Contributions and Proportionate Share of Contributions	23,792	(4,218)	19,574
Total Pension Expense to be Recognized			
in Future Periods	12,354,726	(7,401,282)	4,953,444
Pension Contributions Made Subsequent			
to the Measurement Date	502,720	—	502,720
Total Deferred Amounts Related to Pensions	<u>12,857,446</u>	<u>(7,401,282)</u>	<u>5,456,164</u>

\$502,720 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEMS - Continued

Wisconsin Retirement System (WRS) - Continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued

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

Fiscal Year	Net Deferred Outflows of Resources
2024	\$ 208,989
2025	1,026,588
2026	1,054,270
2027	2,663,597
2028	—
Thereafter	—
Total	<u>4,953,444</u>

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, 2021
Measurement Date of Net Pension Liability	December 31, 2022
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	6.80%
Discount Rate	6.80%
Salary Increases	
Wage Inflation	3.00%
Seniority/Merit	0.10% - 5.60%
Mortality	2020 WRS Experience Mortality Table
Post-Retirement Adjustments*	1.70%

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEMS - Continued

Wisconsin Retirement System (WRS) - Continued

Actuarial Assumptions - Continued

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

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, price inflation, mortality and separation rates. The Total Pension Liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the December 31, 2021 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:

<u>Core Fund Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Nominal Rate of Return</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equities	48.0%	7.6%	5.0%
Fixed Income	25.0%	5.3%	2.7%
Inflation Sensitive Assets	19.0%	3.6%	1.1%
Real Estate	8.0%	5.2%	2.6%
Private Equities/Debt	15.0%	9.6%	6.9%
Total Core Fund	115.0%	7.4%	4.8%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70.0%	7.2%	4.6%
International Equities	30.0%	8.1%	5.5%
Total Variable Fund	100.0%	7.7%	5.1%

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEMS - Continued

Wisconsin Retirement System (WRS) - Continued

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 4.05% (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, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.70% 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 member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the District's proportionate share of the net pension liability 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 one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.80%)	Current Rate (6.80%)	1% Increase (7.80%)
District's Proportionate Share of the Net Pension Liability/(Asset)	\$ 11,733,024	3,535,142	(2,104,296)

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/aboutetf/reports-and-studies/financial-reports-and-statements>.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

The District contributes to two other post-employment benefit plans, the Local Retiree Life Insurance Fund (LRLIF) and the Retirement Benefit Plan (RBP). The aggregate amounts recognized for the other post-employment plans are:

	Pension Expense	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Local Retiree Life Insurance Fund	\$ 11,252	111,232	54,822	89,460
Retirement Benefit Plan	702,449	5,377,972	1,625,354	1,703,300
	<u>713,701</u>	<u>5,489,204</u>	<u>1,680,176</u>	<u>1,792,760</u>

Local Retiree Life Insurance Fund

Plan Description

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

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

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

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

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

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

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Plan Description - Continued

Contributions - Continued. Contribution rates as of December 31, 2022 are:

Coverage Type	Employer Contribution
50% Post Retirement Coverage	40% of Member Contribution
25% Post Retirement Coverage	20% of Member Contribution

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2022 are as listed below:

Attained Age	Basic	Supplemental
Under 30	0.0500	0.0500
30-34	0.0600	0.0600
35-39	0.0700	0.0700
40-44	0.0800	0.0800
45-49	0.1200	0.1200
50-54	0.2200	0.2200
55-59	0.3900	0.3900
60-64	0.4900	0.4900
65-69	0.5700	0.5700

During the reporting period, the LRLIF recognized \$517 in contributions from the employer.

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

At June 30, 2023, the District reported a liability of \$111,232 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net OPEB liability was based on the District's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2022, the District's proportion was 0.02919600%, which was a decrease of 0.00301100% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the District recognized pension expense of \$11,252.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Local Retiree Life Insurance Fund - Continued

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

For the year ended June 30, 2023, 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	Totals
Differences Between Expected and Actual Experience	\$ —	(10,886)	(10,886)
Net Difference Between Projected and Actual			
Earnings on OPEB Plan Investments	2,087	—	2,087
Changes of Assumptions	39,964	(65,657)	(25,693)
Changes in Proportion and Differences Between Employer			
Contributions and Proportionate Share of Contributions	12,524	(12,917)	(393)
Total OPEB Expense to be Recognized			
in Future Periods	54,575	(89,460)	(34,885)
OPEB Contributions Made Subsequent			
to the Measurement Date	247	—	247
Total Deferred Amounts Related to OPEB	<u>54,822</u>	<u>(89,460)</u>	<u>(34,638)</u>

\$247 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2024	\$ (1,831)
2025	(2,716)
2026	(584)
2027	(6,347)
2028	(11,490)
Thereafter	<u>(11,917)</u>
Total	<u>(34,885)</u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Local Retiree Life Insurance Fund - Continued

Actuarial Assumptions

The Total OPEB Liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date	December 31, 2021
Measurement Date of Net OPEB Liability	December 31, 2022
Experience Study	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield	3.72%
Long-Term Expected Rate of Return	4.25%
Discount Rate	3.76%
Salary Increases	
Wage Inflation	3.00%
Seniority/Merit	0.10% - 5.60%
Mortality	2020 WRS Experience Mortality Table

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

Long-Term Expected Return on Plan Assets

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

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Local Retiree Life Insurance Fund - Continued

Asset Allocation Targets and Expected Returns

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
US Intermediate Credit Bonds	Bloomberg US Interm Credit	50.00%	2.45%
US Mortgages	Bloomberg US MBS	50.00%	2.83%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

The long-term expected rate of return remained unchanged from the prior year at 4.25%. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The expected inflation rate remained unchanged from the prior year at 2.30%.

Single Discount Rate

A single discount rate of 3.76% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 2.17% for the prior year. The significant change in the discount rate was primarily caused by the increase in the municipal bond rate from 2.06% as of December 31, 2021 to 3.72% as of December 31, 2022. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Local Retiree Life Insurance Fund - Continued

Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 3.76%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (2.76%)	Current Rate (3.76%)	1% Increase (4.76%)
District's Proportionate Share of the Net OPEB Liability	\$ 151,653	111,232	80,254

Retirement Benefit Plan

General Information about the Retirement Benefit Plan

Plan Description. The District’s defined benefit OPEB plan, The Retirement Benefits Plan (RBP), provides OPEB for all eligible employees of the District. RBP is a single-employer defined benefit OPEB plan administered by MidAmerica Administrative & Retirement Solutions, Inc. Benefits and eligibility for teachers and certain support staff are established and amended by the governing body.

Benefits Provided. RBP provides healthcare and prescription drug benefits for retirees and their dependents. Benefits are provided through a third-party insurer, and the full cost of the benefits is covered by the plan.

Plan Membership. As of June 30, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	25
Inactive Plan Members Entitled to but not yet Receiving Benefits	34
Active Plan Members	<u>219</u>
Total	<u><u>278</u></u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retirement Benefit Plan - Continued

General Information about the Post-Retirement Health Insurance Plan - Continued

Contributions. The School District of Wisconsin Dells governing body has the authority to establish and amend the contribution requirements of the District and employees. The Board establishes rates based on an actuarially determined rate. For the fiscal year-ended June 30, 2023, the District's contribution was **6.00%** of covered payroll.

Net OPEB Liability. The District's net OPEB liability was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2021.

Actuarial Assumptions. The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Reporting Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal (Level Percent of Salary)
Healthcare Trend Rate	6.50% decreasing by 0.10% per year down to 5.0%, and level thereafter
Discount Rate*	2.25%
Actuarial Assumptions	Based on an experience study conducted in 2018 using Wisconsin Retirement System (WRS) experience from 2015-17.
Mortality Assumptions	Wisconsin 2018 Mortality Table adjusted for future mortality improvements using the MP-2018 fully generated improvement scale (multiplied 60%)

*Implicit in this rate is an assumed rate of inflation of 2.50%

The discount rate is based on the S&P Municipal Bond 20 Year High Grade Index as of the measurement date.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retirement Benefit Plan - Continued

Change in the Net OPEB Liability

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2021	\$ 7,879,471	2,620,789	5,258,682
Changes for the Year:			
Service Cost	661,141	—	661,141
Interest on the Total OPEB Liability	179,469	—	179,469
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience	19,695	—	19,695
Changes of Assumptions or Other Inputs	—	—	—
Contributions - Employer	—	700,000	(700,000)
Net Investment Income	—	41,015	(41,015)
Benefit Payments	(467,308)	(467,308)	—
Other Changes	—	—	—
Net Changes	392,997	273,707	119,290
Balance at June 30, 2022	8,272,468	2,894,496	5,377,972

Discount Rate

The discount rate used to measure the total OPEB liability was 2.25%, the same rate that was used in the prior year. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Discount contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total OPEB liability.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retirement Benefit Plan - Continued

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

The following presents the net OPEB liability, calculated using a Single Discount Rate of 2.25%, as well as what the net OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (1.25%)	Current Discount Rate (2.25%)	1% Increase (3.25%)
Total OPEB Liability	\$ 5,978,001	5,377,972	4,816,029

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

The following presents the net OPEB liability, calculated using variable Healthcare Trend Rates, as well as what the net OPEB liability would be if it were calculated using variable Healthcare Trend Rates that are one percentage point lower or one percentage point higher:

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 4,565,889	5,377,972	6,336,532

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retirement Benefit Plan - Continued

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

For the year ended June 30, 2023, the District recognized OPEB expense of \$702,449. At June 30, 2023, 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	Totals
Difference Between Expected and Actual Experience	\$ 118,811	(1,308,217)	(1,189,406)
Change in Assumptions	868,128	(395,083)	473,045
Net Difference Between Projected and Actual			
Earnings on OPEB Plan Investments	50,333	—	50,333
Total Expenses to be Recognized in Future Periods	1,037,272	(1,703,300)	(666,028)
Contributions Made Subsequent to Measurement Date	588,082	—	588,082
Total Deferred Amounts Related to OPEB	<u>1,625,354</u>	<u>(1,703,300)</u>	<u>(77,946)</u>

\$588,082 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2024	\$ (85,359)
2025	(95,027)
2026	(102,928)
2027	(105,727)
2028	(81,956)
Thereafter	<u>(195,031)</u>
Total	<u>(666,028)</u>

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Wisconsin Retirement System
 - Schedule of Employer Contributions
 - Schedule of Proportionate Share of the Net Pension Liability/(Asset)
 - Notes to the Required Supplementary Information

- Local Retiree Life Insurance Fund
 - Schedule of Employer Contributions
 - Schedule of Proportionate Share of Net OPEB Liability
 - Notes to the Required Supplementary Information

- Retirement Benefit Plan
 - Schedule of Employer Contributions
 - Schedule of Changes in Total OPEB Liability and Related Ratios
 - Schedule of Investment Returns

- Budgetary Comparison Schedules
 - General Fund

Notes to the Required Supplementary Information

Budgetary Information - Budgeted amounts are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

**Wisconsin Retirement System
Schedule of Employer Contributions
June 30, 2023**

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 714,937	\$ 714,937	\$ —	\$ 10,244,993	6.98%
2016	721,391	721,391	—	10,608,693	6.80%
2017	665,984	665,984	—	10,090,668	6.60%
2018	696,099	696,099	—	10,248,881	6.79%
2019	716,979	716,979	—	10,837,615	6.62%
2020	748,036	748,036	—	11,179,121	6.69%
2021	781,964	781,964	—	11,584,658	6.75%
2022	762,095	762,095	—	11,549,973	6.60%
2023	814,057	814,057	—	12,191,645	6.68%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Wisconsin Retirement System

Schedule of Proportionate Share of Net Pension Liability/(Asset)

June 30, 2023

Fiscal Year	Proportion of the Net Pension (Asset) Liability	Proportionate Share of the Net Pension (Asset) Liability	Covered Payroll	Proportionate Share of the Net Pension (Asset)/ Liability as a % of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2015	0.074962%	\$ (1,841,268)	\$ 10,244,993	(17.97%)	102.74%
2016	0.744812%	1,210,304	10,608,693	11.41%	98.20%
2017	0.724960%	597,540	10,090,668	5.92%	99.12%
2018	0.711086%	(2,111,297)	10,248,881	(20.60%)	102.93%
2019	0.069200%	2,461,918	10,593,090	23.24%	96.45%
2020	0.068861%	(2,220,384)	11,007,142	(20.17%)	102.96%
2021	0.068415%	(4,271,224)	11,296,307	(37.81%)	105.26%
2022	0.067969%	(5,478,413)	11,658,521	(46.99%)	106.02%
2023	0.066730%	3,535,142	11,819,849	29.91%	95.72%

Notes:

The amounts presented were determined as of the prior calendar-year end.

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Wisconsin Retirement System

Notes to the Required Supplementary Information

June 30, 2023

Changes in Benefit Terms: There were no changes of benefit terms for any participating employer in WRS.

Change in Assumptions: Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-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 price inflation rate from 2.5% to 2.4%
- Lowering the post-retirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-ended 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 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Wisconsin Retirement System

Notes to the Required Supplementary Information - Continued

June 30, 2023

Valuation Date	December 31, 2020
Actuarial Cost Method	Frozen Entry Age
Amortization Method	Level Percent of Payroll-Closed Amortization Period
Amortization Period	30 Years closed from date of participation in WRS
Asset Valuation Method	Five Year Smoothed Market (Closed)
Actuarial Assumptions	
Net Investment Rate of Return	5.40%
Weighted based on assumed rate for:	
Pre-Retirement	7.00%
Post-Retirement	5.00%
Salary Increases	
Wage Inflation	3.00%
Seniority/Merit	0.10% - 5.60%
Post Retirement Benefit Adjustments*	1.90%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.
Mortality	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).

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

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

**Local Retiree Life Insurance Fund
Schedule of Employer Contributions
June 30, 2023**

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 525	\$ 525	\$ —	\$ N/A	N/A
2019	510	510	—	N/A	N/A
2020	500	500	—	N/A	N/A
2021	595	595	—	N/A	N/A
2022	659	659	—	N/A	N/A
2023	517	517	—	N/A	N/A

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Local Retiree Life Insurance Fund

Schedule of Proportionate Share of Net OPEB Liability

June 30, 2023

Fiscal Year	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a % of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Net OPEB Liability
2018	0.027672%	\$ 83,253	\$ 1,163,687	7.15%	44.81%
2019	0.026481%	68,330	700,000	9.76%	48.69%
2020	0.027692%	117,918	694,000	16.99%	37.58%
2021	0.029852%	164,208	978,000	16.79%	31.36%
2022	0.032207%	190,355	894,000	21.29%	29.57%
2023	0.029196%	111,232	815,000	13.65%	38.81%

Notes:

The amounts presented were determined as of the prior calendar-year end.

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Local Retiree Life Insurance Fund

Notes to the Required Supplementary Information

June 30, 2023

Change in Benefit Terms: There were no recent changes in benefit terms.

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

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

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

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

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

**Retirement Benefit Plan
Schedule of Employer Contributions
June 30, 2023**

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2017	\$ 777,243	\$ 819,178	\$ 41,935	\$ 9,871,526	8.30%
2018	856,887	601,844	(255,043)	9,871,526	6.10%
2019	856,887	575,294	(281,593)	10,228,701	5.62%
2020	899,708	584,205	(315,503)	10,228,701	5.71%
2021	899,708	728,651	(171,057)	10,571,740	6.89%
2022	918,964	700,000	(218,964)	10,571,740	6.62%
2023	918,964	588,082	(330,882)	9,806,919	6.00%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Retirement Benefit Plan

Schedule of Changes in Net OPEB Liability and Related Ratios

June 30, 2023

	6/30/2016	6/30/2017
Total OPEB Liability		
Service Cost	\$ 525,604	525,604
Interest	227,144	231,025
Change in Benefit Terms	—	—
Differences Between Expected and Actual Experience	—	253,254
Change of Assumptions or Other Inputs	—	(532,142)
Benefit Payments	(627,611)	(619,178)
Other (Net Transfer)	—	—
Net Change in Total OPEB Liability	125,137	(141,437)
Total OPEB Liability - Beginning	7,622,483	7,747,620
Total OPEB Liability - Ending	7,747,620	7,606,183
Plan Fiduciary Net Position		
Contributions - Employer	827,611	819,178
Contributions - Members	—	—
Net Investment Income	30,912	29,850
Benefit Payments, Including Refunds of Member Contributions	(627,611)	(619,178)
Other (Net Transfer)	—	—
Net Change in Plan Fiduciary Net Position	230,912	229,850
Plan Net Position - Beginning	1,669,326	1,900,238
Plan Net Position - Ending	1,900,238	2,130,088
Net OPEB Liability	5,847,382	5,476,095
Fiduciary Net Position as a Percentage of the Total OPEB Liability	24.53%	28.00%
Covered Payroll	\$ 9,361,419	9,871,526
Net OPEB Liability as a Percentage of Covered Payroll	62.46%	55.47%

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022
540,236	519,676	584,695	725,847	661,141
265,138	287,931	268,647	198,647	179,469
—	(204,308)	—	—	—
—	(794,878)	—	(1,114,225)	19,695
(119,750)	688,281	728,625	(157,308)	—
(601,844)	(543,301)	(520,170)	(478,651)	(467,308)
—	—	—	—	—
83,780	(46,599)	1,061,797	(825,690)	392,997
7,606,183	7,689,963	7,643,364	8,705,161	7,879,471
7,689,963	7,643,364	8,705,161	7,879,471	8,272,468
601,844	575,294	584,205	728,651	700,000
—	—	—	—	—
30,636	33,291	39,536	41,210	41,015
(601,844)	(543,301)	(520,170)	(478,651)	(467,308)
—	—	—	—	—
30,636	65,284	103,571	291,210	273,707
2,130,088	2,160,724	2,226,008	2,329,579	2,620,789
2,160,724	2,226,008	2,329,579	2,620,789	2,894,496
5,529,239	5,417,356	6,375,582	5,258,682	5,377,972
28.10%	29.12%	26.76%	33.26%	34.99%
9,871,526	10,228,701	10,228,701	10,571,740	10,571,740
56.01%	52.96%	62.33%	49.74%	50.87%

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Retirement Benefit Plan

Schedule of Investment Returns

June 30, 2023

Fiscal Year	Annual Money- Weighted Rate of Return
2017	—%
2018	—%
2019	1.50%
2020	1.72%
2021	1.66%
2022	1.49%
2023	1.35%

Notes:

The amounts presented were determined as of the prior fiscal year end.

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources	\$ 14,782,288	14,782,288	16,147,335	1,365,047
Interdistrict Payments within Wisconsin	1,094,867	1,094,867	1,056,692	(38,175)
Intermediate Sources	96,970	96,970	73,576	(23,394)
State Sources	6,853,747	6,853,747	6,928,130	74,383
Federal Sources	1,966,143	1,966,143	1,875,926	(90,217)
Other Revenues	63,788	63,788	60,844	(2,944)
Total Revenues	24,857,803	24,857,803	26,142,503	1,284,700
Expenditures				
Instruction	13,137,184	13,137,184	13,339,204	(202,020)
Support Services	9,930,340	9,930,340	9,066,124	864,216
Non-Program Transactions	2,013,922	2,013,922	2,123,330	(109,408)
Debt Service				
Principal Retirement	71,129	71,129	74,252	(3,123)
Interest and Fiscal Charges	12,636	12,636	7,873	4,763
Total Expenditures	25,165,211	25,165,211	24,610,783	554,428
Excess (Deficiency) of Revenues Over (Under) Expenditures	(307,408)	(307,408)	1,531,720	1,839,128
Other Financing Sources (Uses)				
Disposal of Capital Assets	353,350	353,350	473,897	120,547
Transfers In	2,054,000	2,054,000	—	(2,054,000)
Transfers Out	(2,100,000)	(2,100,000)	(800,000)	1,300,000
	307,350	307,350	(326,103)	(633,453)
Net Change in Fund Balance	(58)	(58)	1,205,617	1,205,675
Fund Balance - Beginning			10,654,987	
Fund Balances - Ending			11,860,604	

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Combining Statements - General Fund
- Budgetary Comparison Schedules - General Fund Accounts
- Budgetary Comparison Schedule - Major Governmental Fund
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds
- Budgetary Comparison Schedule - Trust Fund

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. The General Fund includes the General and Special Education Accounts.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

Special Revenue Fund

The Special Revenue Fund is used to account for the proceeds of non-trust revenues of which the expenditures are limited to specified purposes related to district operations. The most common source of such funds is gifts and donations.

Title IV Native American Fund

The Title IV Native American Fund is used to account for special revenues for K-12 instructional programs not required to be discretely reported in another fund.

Food Service Fund

The Food Service Fund is used to account for all revenues and expenditures related to pupil and elderly food service activities are recorded in this fund.

Community Service Fund

The Community Service Fund is used to account for activities such as adult education, community recreation programs such as evening swimming pool operation and softball leagues, elderly food service programs, non-special education preschool, day care services, and other programs which are not elementary and secondary educational programs but have the primary function of serving the community. Actual, additional expenditures for these activities, includes salaries, benefits, travel, purchased services, etc. are to be included in this fund to the extent feasible. The District may adopt a separate tax levy for this Fund.

DEBT SERVICE FUNDS

The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Referendum Debt Service Fund

The Referendum Debt Service Fund is used to transactions for the repayment of debt issues that were either authorized by school board resolution before August 12, 1993, or approved by referendum.

INDIVIDUAL FUND DESCRIPTIONS - Continued

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities.

Capital Projects Fund

The Capital Projects Fund is used to account for capital activities not required to be reported in another fund.

Capital Improvements Fund

The Capital Expansion Fund is used to account for projects financed with tax levy per Wis. Stats. § 120.10(10m). State statute restricts the use of this fund for capital expenditures related to buildings and sites. Equipment cannot be acquired through the use of this fund. For the purpose of determining eligible expenditures from this fund, the DPI defines “capital expenditures related to buildings and sites” as being expenditures for acquiring and remodeling buildings and sites, and maintenance or repair expenditures that extend or enhance the service life of buildings and building components, sites and site components.

FIDUCIARY FUNDS

TRUST FUND

Other Post-Employment Benefits Trust Fund

The Other Post-Employment Benefits Trust Fund is used to account for resources held in trust for formally established defined benefit pension plans, defined contribution plans, or employee benefit plans. Such plans must be legally established in accordance with state statutes, federal laws and Internal Revenue Service requirements. Specific requirements for use of this fund have been established by the Department of Public Instruction. This fund applies to all post-employment benefit plans where the district is providing such benefits by contribution to a legally established irrevocable trust.

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

General Fund - by Accounts

Combining Balance Sheet

June 30, 2023

	General Account	Special Education Account	Eliminations	Totals
ASSETS				
Cash and Investments	\$ 5,710,496	—	—	5,710,496
Receivables - Net of Allowances				
Taxes	6,631,660	—	—	6,631,660
Accounts	2,523	—	—	2,523
Due from Other Funds	243,163	—	(133,328)	109,835
Due from Other Governments	1,134,875	489,840	—	1,624,715
Total Assets	<u>13,722,717</u>	<u>489,840</u>	<u>(133,328)</u>	<u>14,079,229</u>
LIABILITIES				
Accounts Payable	144,150	101,584	—	245,734
Withholdings and Related District Fringes Payable	820,538	111,190	—	931,728
Accrued Payroll Payable	788,841	—	—	788,841
Claimed Vested Benefits Payable	6,504	—	—	6,504
Due to Other Funds	50,000	227,616	(133,328)	144,288
Deposits Payable	37,022	49,450	—	86,472
Deferred Revenues	825	—	—	825
Health Benefits Claims Payable	14,233	—	—	14,233
Total Liabilities	<u>1,862,113</u>	<u>489,840</u>	<u>(133,328)</u>	<u>2,218,625</u>
FUND BALANCES				
Restricted	272,968	—	—	272,968
Committed	369,671	—	—	369,671
Assigned	758,669	—	—	758,669
Unassigned	10,459,296	—	—	10,459,296
Total Fund Balances	<u>11,860,604</u>	<u>—</u>	<u>—</u>	<u>11,860,604</u>
Total Liabilities and Fund Balances	<u>13,722,717</u>	<u>489,840</u>	<u>(133,328)</u>	<u>14,079,229</u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

General Fund - by Accounts

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2023

	General Account	Special Education Account	Eliminations	Totals
Revenues				
Local Sources	\$ 16,147,335	—	—	16,147,335
Interdistrict Payments within Wisconsin	1,056,692	—	—	1,056,692
Intermediate Sources	32,713	40,863	—	73,576
State Sources	6,146,816	781,314	—	6,928,130
Federal Sources	1,313,805	562,121	—	1,875,926
Other Revenues	60,844	—	—	60,844
Total Revenues	<u>24,758,205</u>	<u>1,384,298</u>	<u>—</u>	<u>26,142,503</u>
Expenditures				
Instruction	10,900,684	2,438,520	—	13,339,204
Support Services	8,484,081	582,043	—	9,066,124
Non-Program Transactions	1,560,706	562,624	—	2,123,330
Debt Service				
Principal Retirement	74,252	—	—	74,252
Interest and Fiscal Charges	7,873	—	—	7,873
Total Expenditures	<u>21,027,596</u>	<u>3,583,187</u>	<u>—</u>	<u>24,610,783</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,730,609</u>	<u>(2,198,889)</u>	<u>—</u>	<u>1,531,720</u>
Other Financing Sources (Uses)				
Disposal of Capital Assets	473,897	—	—	473,897
Transfers In	—	2,198,889	(2,198,889)	—
Transfers Out	(2,998,889)	—	2,198,889	(800,000)
	<u>(2,524,992)</u>	<u>2,198,889</u>	<u>—</u>	<u>(326,103)</u>
Net Change in Fund Balance	1,205,617	—	—	1,205,617
Fund Balance - Beginning	<u>10,654,987</u>	<u>—</u>	<u>—</u>	<u>10,654,987</u>
Fund Balances - Ending	<u><u>11,860,604</u></u>	<u><u>—</u></u>	<u><u>—</u></u>	<u><u>11,860,604</u></u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

General Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
Property Tax	\$ 14,562,088	14,562,088	15,762,088	1,200,000
Other Taxes	94,000	94,000	89,996	(4,004)
Non-Capital Sales	100	100	266	166
School Activity Income	30,000	30,000	28,318	(1,682)
Investment Income	24,000	24,000	193,355	169,355
Other Revenue from Local Sources	72,100	72,100	73,312	1,212
Interdistrict Payments within Wisconsin				
Transit of Aids	12,500	12,500	12,500	—
Payments for Services	1,082,367	1,082,367	1,044,192	(38,175)
Intermediate Sources				
Transit of Aids	11,970	11,970	12,346	376
Other Payments from Intermediate Sources	10,000	10,000	20,367	10,367
State Sources				
State Aid - Categorical	170,000	170,000	177,826	7,826
State Aid - General	3,646,060	3,646,060	3,638,307	(7,753)
State Special Projects Grants	22,920	22,920	21,935	(985)
Achievement Gap Reduction (AGR) Aid	793,000	793,000	739,019	(53,981)
State Revenue through Local Governments	95,000	95,000	83,748	(11,252)
Other Revenue from State Sources	1,465,150	1,465,150	1,485,981	20,831
Federal Sources				
Federal Special Projects Aid Transited through DPI	889,089	889,089	816,908	(72,181)
Elementary and Secondary Education Act (ESEA)	312,671	312,671	299,994	(12,677)
Federal Aid Received through State Agencies other than DPI	230,000	230,000	196,903	(33,097)
Other Revenues				
Refund of Disbursement	53,788	53,788	37,001	(16,787)
Other Miscellaneous Revenues	10,000	10,000	23,843	13,843
Total Revenues	23,586,803	23,586,803	24,758,205	1,171,402
Expenditures				
Instruction				
Undifferentiated Curriculum	3,611,307	3,611,307	3,692,233	(80,926)
Regular Curriculum	5,231,468	5,231,468	5,075,278	156,190
Vocational Curriculum	580,572	580,572	634,012	(53,440)
Physical Curriculum	703,606	703,606	691,474	12,132
Co-Curricular Activities	311,692	311,692	319,399	(7,707)
Other Special Needs	471,353	471,353	488,288	(16,935)
	10,909,998	10,909,998	10,900,684	9,314

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

General Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures - Continued				
Support Services				
Pupil Services	697,199	697,199	670,840	26,359
Instructional Staff Services	1,197,270	1,197,270	1,113,057	84,213
General Administration	471,172	471,172	458,683	12,489
School Building Administration	1,286,015	1,286,015	1,307,470	(21,455)
Business Administration	4,590,422	4,590,422	4,266,747	323,675
Central Services	75,425	75,425	65,284	10,141
Insurance and Judgements	344,000	344,000	5,461	338,539
Other Support Services	594,945	594,945	596,539	(1,594)
	<u>9,256,448</u>	<u>9,256,448</u>	<u>8,484,081</u>	<u>772,367</u>
 Non-Program Transactions				
Purchased Instructional Services	1,555,000	1,555,000	1,549,293	5,707
Other Non-Program Transactions	35,000	35,000	11,413	23,587
	<u>1,590,000</u>	<u>1,590,000</u>	<u>1,560,706</u>	<u>29,294</u>
 Debt Service				
Principal Retirement	71,129	71,129	74,252	(3,123)
Interest and Fiscal Charges	12,636	12,636	7,873	4,763
	<u>83,765</u>	<u>83,765</u>	<u>82,125</u>	<u>1,640</u>
 Total Expenditures	<u>21,840,211</u>	<u>21,840,211</u>	<u>21,027,596</u>	<u>812,615</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,746,592</u>	<u>1,746,592</u>	<u>3,730,609</u>	<u>1,984,017</u>
 Other Financing Sources (Uses)				
Disposal of Capital Assets	353,350	353,350	473,897	120,547
Transfers Out	(2,100,000)	(2,100,000)	(2,998,889)	(898,889)
	<u>(1,746,650)</u>	<u>(1,746,650)</u>	<u>(2,524,992)</u>	<u>(778,342)</u>
 Net Change in Fund Balance	<u>(58)</u>	<u>(58)</u>	1,205,617	<u>1,205,675</u>
 Fund Balance - Beginning			<u>10,654,987</u>	
 Fund Balance - Ending			<u>11,860,604</u>	

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Special Education Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Intermediate Sources				
Transit of Aids	\$ 75,000	75,000	40,863	(34,137)
State Sources				
State Aid - Categorical	661,617	661,617	776,538	114,921
Other Revenue from State Sources	—	—	4,776	4,776
Federal Sources				
Federal Special Projects Aid Transited through DPI	505,383	505,383	489,840	(15,543)
Federal Aid Received through State Agencies other than DPI	29,000	29,000	72,281	43,281
Total Revenues	<u>1,271,000</u>	<u>1,271,000</u>	<u>1,384,298</u>	<u>113,298</u>
Expenditures				
Instruction				
Special Education Curriculum	2,227,186	2,227,186	2,438,520	(211,334)
Support Services				
Pupil Services	278,285	278,285	282,876	(4,591)
Instructional Staff Services	196,356	196,356	197,515	(1,159)
Business Administration	192,521	192,521	99,314	93,207
Central Services	6,730	6,730	2,338	4,392
Non-Program Transactions				
Purchased Instructional Services	423,922	423,922	562,624	(138,702)
Total Expenditures	<u>3,325,000</u>	<u>3,325,000</u>	<u>3,583,187</u>	<u>(258,187)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,054,000)	(2,054,000)	(2,198,889)	(144,889)
Other Financing Sources				
Transfers In	<u>2,054,000</u>	<u>2,054,000</u>	<u>2,198,889</u>	<u>144,889</u>
Net Change in Fund Balance	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund Balance - Beginning			<u>—</u>	
Fund Balance - Ending			<u>—</u>	

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local				
Investment Income	\$ 800	800	10,554	9,754
Other Revenue from Local Sources	13,000,000	13,000,000	10,500,000	(2,500,000)
Total Revenues	<u>13,000,800</u>	<u>13,000,800</u>	<u>10,510,554</u>	<u>(2,490,246)</u>
Expenditures				
Support Services				
Business Administration	12,617,783	12,617,783	10,877,617	1,740,166
Insurance and Judgements	8,017	8,017	17,191	(9,174)
Total Expenditures	<u>12,625,800</u>	<u>12,625,800</u>	<u>10,894,808</u>	<u>1,730,992</u>
Net Change in Fund Balance	<u>375,000</u>	<u>375,000</u>	(384,254)	<u>(759,254)</u>
Fund Balance - Beginning			<u>1,496,791</u>	
Fund Balance - Ending			<u>1,112,537</u>	

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Combining Balance Sheet - Nonmajor Funds

June 30, 2023

	<u>Special Revenue</u>
ASSETS	
Cash and Investments	\$ 1,044,668
Due from Other Funds	—
Due from Other Governments	—
	<hr/>
Total Assets	<u>1,044,668</u>
LIABILITIES	
Accounts Payable	3,763
Withholdings and Related District Fringes Payable	73
Due to Other Funds	—
Deposits Payable	—
Deferred Revenues	—
	<hr/>
Total Liabilities	3,836
FUND BALANCES	
Restricted	<u>1,040,832</u>
	<hr/>
Total Liabilities and Fund Balances	<u>1,044,668</u>

Title IV Native American	Food Service	Community Service	Debt Service Referendum Debt Service	Capital Projects Capital Improvements	Totals
15,714	535,113	—	539,071	1,421,927	3,556,493
—	—	—	—	50,000	50,000
—	94,917	—	—	—	94,917
15,714	630,030	—	539,071	1,471,927	3,701,410
—	57,008	—	—	—	60,771
15,714	1,974	—	—	—	17,761
—	7,882	—	1,425	—	9,307
—	8,284	—	—	—	8,284
—	65,226	—	—	—	65,226
15,714	140,374	—	1,425	—	161,349
—	489,656	—	537,646	1,471,927	3,540,061
15,714	630,030	—	539,071	1,471,927	3,701,410

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Funds
For the Fiscal Year Ended June 30, 2023

	Special Revenue
Revenues	
Local	
Property Tax	\$ —
Investment Income	15,497
Other	535,692
State Sources	—
Federal Sources	—
Other Revenues	40,046
Total Revenues	<u>591,235</u>
Expenditures	
Instruction	527,138
Support Services	5,609
Community Services	—
Non-Program Transactions	13,543
Debt Service	
Principal Retirement	—
Interest and Fiscal Charges	—
Total Expenditures	<u>546,290</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>44,945</u>
Other Financing Sources (Uses)	
Payment to Escrow Agent	—
Transfers In	—
	<u>—</u>
Net Change in Fund Balance	44,945
Fund Balances - Beginning	<u>995,887</u>
Fund Balances - Ending	<u><u>1,040,832</u></u>

Title IV Native American	Food Service	Community Service	Debt Service Referendum Debt Service	Capital Projects Capital Improvements	Totals
—	—	49,590	4,045,194	—	4,094,784
—	—	—	40,216	51,096	106,809
—	386,549	—	—	—	922,241
—	22,636	—	—	—	22,636
26,240	823,691	—	—	—	849,931
—	—	—	—	—	40,046
26,240	1,232,876	49,590	4,085,410	51,096	6,036,447
1,158	—	—	—	—	528,296
25,082	1,367,686	—	—	—	1,398,377
—	—	76,076	—	—	76,076
—	—	—	—	—	13,543
—	—	—	1,045,000	—	1,045,000
—	—	—	1,017,294	—	1,017,294
26,240	1,367,686	76,076	2,062,294	—	4,078,586
—	(134,810)	(26,486)	2,023,116	51,096	1,957,861
—	—	—	(2,999,192)	—	(2,999,192)
—	—	—	—	800,000	800,000
—	—	—	(2,999,192)	800,000	(2,199,192)
—	(134,810)	(26,486)	(976,076)	851,096	(241,331)
—	624,466	26,486	1,513,722	620,831	3,781,392
—	489,656	—	537,646	1,471,927	3,540,061

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Special Revenue - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
School Activity Income	\$ 104,656	104,656	124,652	19,996
Investment Income	1,750	1,750	15,497	13,747
Other Revenue from Local Sources	293,594	293,594	411,040	117,446
Other Revenues				
Other Miscellaneous Revenues	—	—	40,046	40,046
Total Revenues	<u>400,000</u>	<u>400,000</u>	<u>591,235</u>	<u>191,235</u>
Expenditures				
Instruction				
Regular Curriculum	—	—	3,720	(3,720)
Vocational Curriculum	82,898	82,898	—	82,898
Co-Curricular Activities	298,527	298,527	523,418	(224,891)
Support Services				
Business Administration	5,142	5,142	5,609	(467)
Non-Program Transactions				
Post-Secondary Scholarship Expenditures	13,000	13,000	13,000	—
Other Non-Program Transactions	433	433	543	(110)
Total Expenditures	<u>400,000</u>	<u>400,000</u>	<u>546,290</u>	<u>(146,290)</u>
Net Change in Fund Balance	<u>—</u>	<u>—</u>	44,945	<u>44,945</u>
Fund Balance - Beginning			<u>995,887</u>	
Fund Balance - Ending			<u>1,040,832</u>	

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Title IV Native American - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Federal Sources				
Other Revenue from Federal Sources	\$ 21,000	21,000	26,240	5,240
Expenditures				
Instruction				
Undifferentiated Curriculum	—	—	505	(505)
Regular Curriculum	600	600	653	(53)
Support Services				
Pupil Services	20,400	20,400	25,082	(4,682)
Total Expenditures	21,000	21,000	26,240	(5,240)
Net Change in Fund Balance	—	—	—	—
Fund Balance - Beginning			—	
Fund Balance - Ending			—	

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Food Service - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local				
Food Service	\$ 275,300	275,300	315,394	40,094
Other Revenue from Local Sources	1,200	1,200	71,155	69,955
State Sources				
State Aid - Categorical	6,000	6,000	22,636	16,636
Federal Sources				
Federal Aid - Categorical	707,500	707,500	823,691	116,191
Total Revenues	<u>990,000</u>	<u>990,000</u>	1,232,876	242,876
Expenditures				
Support Services				
Business Administration	989,850	989,850	1,367,686	(377,836)
Other Support Services	150	150	—	150
Total Expenditures	<u>990,000</u>	<u>990,000</u>	1,367,686	(377,686)
Net Change in Fund Balance	<u>—</u>	<u>—</u>	(134,810)	<u>(134,810)</u>
Fund Balance - Beginning as Restated			<u>624,466</u>	
Fund Balance - Ending			<u>489,656</u>	

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Community Service - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
Property Tax	\$ 49,590	49,590	49,590	—
Expenditures				
Community Services				
Other Community Services	76,076	76,076	76,076	—
Net Change in Fund Balance	<u>(26,486)</u>	<u>(26,486)</u>	(26,486)	<u>—</u>
Fund Balance - Beginning			<u>26,486</u>	
Fund Balance - Ending			<u>—</u>	

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Referendum Debt Service - Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
Property Tax	\$ 5,245,194	5,245,194	4,045,194	(1,200,000)
Investment Income	7,000	7,000	40,216	33,216
Other Revenues				
Refund of Disbursement	43,921	43,921	—	(43,921)
Total Revenues	<u>5,296,115</u>	<u>5,296,115</u>	4,085,410	<u>(1,210,705)</u>
Expenditures				
Debt Service				
Principal Retirement	1,045,000	1,045,000	1,045,000	—
Interest and Fiscal Charges	1,000,914	1,000,914	1,017,294	(16,380)
Total Expenditures	<u>2,045,914</u>	<u>2,045,914</u>	2,062,294	<u>(16,380)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,250,201	3,250,201	2,023,116	(1,227,085)
Other Financing (Uses)				
Payment to Escrow Agent	—	—	(2,999,192)	(2,999,192)
Net Change in Fund Balance	<u>3,250,201</u>	<u>3,250,201</u>	(976,076)	<u>(4,226,277)</u>
Fund Balance - Beginning			<u>1,513,722</u>	
Fund Balance - Ending			<u>537,646</u>	

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Capital Improvements - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
Investment Income	\$ 4,000	4,000	51,096	47,096
Expenditures				
Support Services				
Business Administration	—	—	—	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,000	4,000	51,096	47,096
Other Financing Sources				
Transfers In	46,000	46,000	800,000	754,000
Net Change in Fund Balance	<u>50,000</u>	<u>50,000</u>	851,096	<u>801,096</u>
Fund Balance - Beginning as Restated			<u>620,831</u>	
Fund Balance - Ending			<u>1,471,927</u>	

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Other Post-Employment Benefits - Trust Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Additions				
Contributions - Employer	\$ 673,193	673,193	588,082	(85,111)
Contributions - Plan Members	77,918	77,918	77,918	—
Total Contributions	<u>751,111</u>	<u>751,111</u>	<u>666,000</u>	<u>(85,111)</u>
Investment Income				
Interest Earned	30,000	30,000	40,032	10,032
Total Additions	781,111	781,111	706,032	(75,079)
Deductions				
Post-Employment Benefits	551,092	551,092	551,092	—
Change in Fiduciary Net Position	<u>230,019</u>	<u>230,019</u>	154,940	<u>(75,079)</u>
Net Position Restricted for Employee Benefits				
Beginning			<u>2,894,496</u>	
Ending			<u>3,049,436</u>	



**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS**

DATE

Members of the Board of Education
School District of Wisconsin Dells
Wisconsin Dells, 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 School District of Wisconsin Dells, Wisconsin, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated DATE.

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 District’s financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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*.

School District of Wisconsin Dells, Wisconsin
DATE

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

LAUTERBACH & AMEN, LLP

SUPPLEMENTAL SCHEDULES

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2019A

June 30, 2023

Date of Issue	March 4, 2019
Date of Maturity	March 1, 2035
Authorized Issue	\$14,270,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% - 5.00%
Interest Dates	March 1 and September 1
Principal Maturity Date	March 1
Payable at	Associated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ —	495,156	495,156
2025	—	495,156	495,156
2026	—	495,156	495,156
2027	—	495,156	495,156
2028	1,235,000	495,156	1,730,156
2029	1,530,000	433,406	1,963,406
2030	1,595,000	356,906	1,951,906
2031	1,645,000	307,064	1,952,064
2032	1,700,000	253,600	1,953,600
2033	1,760,000	202,600	1,962,600
2034	1,830,000	132,200	1,962,200
2035	1,475,000	59,000	1,534,000
	<u>12,770,000</u>	<u>4,220,556</u>	<u>16,990,556</u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2019B

June 30, 2023

Date of Issue	March 18, 2019
Date of Maturity	March 1, 2039
Authorized Issue	\$9,340,000
Denomination of Bonds	\$5,000
Interest Rates	3.25% - 4.00%
Interest Dates	March 1 and September 1
Principal Maturity Date	March 1
Payable at	Associated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ —	232,488	232,488
2025	—	232,488	232,488
2026	—	232,488	232,488
2027	—	282,900	282,900
2028	—	333,313	333,313
2029	—	333,313	333,313
2030	—	333,313	333,313
2031	—	333,313	333,313
2032	—	333,313	333,313
2033	—	333,313	333,313
2034	—	333,313	333,313
2035	480,000	333,313	813,313
2036	2,035,000	314,113	2,349,113
2037	2,115,000	232,713	2,347,713
2038	1,455,000	148,106	1,603,106
	<u>6,085,000</u>	<u>4,341,800</u>	<u>10,426,800</u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

**Long-Term Debt Requirements
General Obligation Bonds of 2020
June 30, 2023**

Date of Issue	June 1, 2020
Date of Maturity	March 1, 2027
Authorized Issue	\$9,500,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 4.00%
Interest Dates	March 1 and September 1
Principal Maturity Date	March 1
Payable at	Associated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 1,060,000	156,050	1,216,050
2025	1,105,000	113,650	1,218,650
2026	1,140,000	69,450	1,209,450
2027	1,175,000	35,250	1,210,250
	<u>4,480,000</u>	<u>374,400</u>	<u>4,854,400</u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Long-Term Debt Requirements

Installment Contract of 2020: High School Office Copier

June 30, 2023

Date of Issue	September 15, 2020
Date of Maturity	September 15, 2025
Authorized Issue	\$8,093
Interest Rates	8.50%
Interest Dates	Monthly
Principal Maturity Date	September 15, 2025
Payable at	Rhyme Business Products

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 1,724	266	1,990
2025	1,876	114	1,990
2026	338	5	343
	<u>3,938</u>	<u>385</u>	<u>4,323</u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Long-Term Debt Requirements

Installment Contract of 2021A: Chromebook

June 30, 2023

Date of Issue	January 15, 2021
Date of Maturity	January 15, 2025
Authorized Issue	\$35,162
Interest Rates	3.44%
Interest Dates	Annually
Principal Maturity Date	January 15, 2025
Payable at	Hawlett-Packard Financial Services

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 8,266	372	8,638
2025	2,542	95	2,637
	<u>10,808</u>	<u>467</u>	<u>11,275</u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Long-Term Debt Requirements

Installment Contract of 2021B: Chromebook

June 30, 2023

Date of Issue	March 31, 2021
Date of Maturity	March 31, 2025
Authorized Issue	\$37,740
Interest Rates	3.44%
Interest Dates	Annually
Principal Maturity Date	March 31, 2025
Payable at	Hawlett-Packard Financial Services

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 8,833	403	9,236
2025	2,875	108	2,983
	<u>11,708</u>	<u>511</u>	<u>12,219</u>

SCHOOL DISTRICT OF WISCONSIN DELLS, WISCONSIN

Long-Term Debt Requirements

Installment Contract of 2021C: Multiple Copier Leases

June 30, 2023

Date of Issue	June 10, 2021
Date of Maturity	June 10, 2026
Authorized Issue	\$153,386
Interest Rates	5.00%
Interest Dates	Monthly
Principal Maturity Date	June 10, 2026
Payable at	Rhyme Business Products

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 30,728	4,060	34,788
2025	32,321	2,467	34,788
2026	31,218	793	32,011
	<u>94,267</u>	<u>7,320</u>	<u>101,587</u>