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Sun Prairie Area School District

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FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT

For the Year Ended June 30, 2025

SUN PRAIRIE AREA SCHOOL DISTRICT

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INDEPENDENT AUDITOR'S REPORT

To the School Board
Sun Prairie Area School District
Sun Prairie, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Sun Prairie Area School District (District) as of and for the year ended June 30, 2025, 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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the 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.

Emphasis of Matter

As discussed in Note 15, the financial statements include a restatement that increased the beginning debt service fund balance by $18,747,120 and increased the beginning net position of governmental activities by $1,432,120. Our opinions are not modified with respect to this matter.

JOHNSON BLOCK AND COMPANY, INC. | 9701 Brader Way, Suite 202, Middleton, WI 53562 | Phone: (608) 274-2002 | Fax: (608) 274-4320 JOHNSONBLOCK.COM

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 GAAS and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, 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, and the budgetary comparison information, Wisconsin Retirement Systems schedules, schedule of changes in the District's total OPEB liability and related ratios, and schedule of the District's total supplemental pension liability and related ratios be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining non-major fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining non-major fund financial statements 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 will also issue a report on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
December 2, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

SUN PRAIRIE AREA SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025

This discussion and analysis of the Sun Prairie Area School District (the "District") financial information provides an overall review of financial activities for the fiscal year.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the District exceeded liabilities and deferred inflows at the close of the 2024-2025 fiscal year by $119,471,123 (*net position*).

- The outstanding long-term obligations of the District decreased by $38,544,561.

The following financial events took place during fiscal year 2025:

- The general fund balance increased by $276,567.
- The general fund transferred $22,000,000 to the debt service fund to help with the impact on future tax levy.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

1. District-Wide Financial Statements

District-wide financial statements are the *Statement of Net Position* and *Statement of Activities*. These statements present an aggregate view of the District's finances in a manner similar to private-sector business. Both statements distinguish functions that are supported principally by property taxes and intergovernmental revenues, called *governmental activities,* from functions that are intended to recover all or a significant portion of costs through user fees and charges called *business-type activities.*

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

- The *Statement of Activities* presents information showing how the District's net position changed during the year. This statement reports the cost of government and business-type functions, and how those functions were financed for the fiscal year.

2. Fund Financial Statements

The District also produces fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities. The District, like other state and local governments, uses fund accounting to demonstrate compliance with finance related legal requirements. Fund statements generally report operations in more detail than the district-wide statements and provide information that may be useful in evaluating a District's near-term financing requirements.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

2. Fund Financial Statements (Continued)

There are two fund financial statements, the *Balance Sheet* and the *Statement of Revenues*, *Expenditures and Changes in Fund Balances*. Generally, fund financial statements focus on near-term inflows and outflows of spendable resources and their impact on fund balance.

Because the focus of fund financial statements is narrower than that of the district-wide statements, it is useful to make comparisons between the various sources of information presented. This helps the reader better understand the long-term implications of the government's near-term financial decisions. A reconciliation to facilitate the comparison of the Statement of Net Position to the Governmental Funds Balance Sheet is presented. A separate statement to reconcile the Statement of Activities to the governmental funds operating statement is presented.

The District has three kinds of funds: *governmental, proprietary and fiduciary*. *Governmental funds* include the District's two major funds (general and debt service), non-major special revenue funds and non-major capital projects funds as needed. The District has one *proprietary* fund, the food service fund.

Financial information is presented separately on both the *Balance Sheet* and the *Statement of Revenues, Expenditures and Changes in Fund Balances* for the general fund and the debt service fund, as these are considered to be major funds. Data for the other special projects, special revenue trust, community service, package cooperative, capital projects and capital improvement fund are combined into a single, aggregated column.

The proprietary fund statement for the District's food service program is prepared on the same basis of accounting and measurement focus as the district-wide financial statements. This includes a *Statement of Net Position* and a *Statement of Revenue*, *Expenses and Changes in Net Position*.

The District adopts an annual appropriation budget for all funds.

3. Notes to the Financial Statements

The *Notes to the Financial Statements* provide additional information that is essential to the full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements follow the basic financial statements.

FINANCIAL ANALYSIS

The District as a Whole

Table 1 provides a summary of the District's net position for the year ended June 30, 2025 compared to year ended June 30, 2024. Please note, some rounding of amounts occur.

Table 1
Condensed Statement of Net Position

	Governmental Activities		Business-type Activities		Total School District	
	2025	2024	2025	2024	2025	2024
Current & other assets	$ 87,935,043	$ 108,337,212	$ 2,091,238	$ 2,231,471	$ 90,026,281	$ 110,568,683
Capital assets	359,874,280	363,863,446	460,418	464,905	360,334,698	364,328,351
Total Assets	**447,809,323**	**472,200,658**	**2,551,656**	**2,696,376**	**450,360,979**	**474,897,034**
Deferred Outflows	**35,999,331**	**49,767,120**	**601,388**	**871,061**	**36,600,719**	**50,638,181**
Current Liabilities	45,715,052	66,639,049	110,015	23,161	45,825,067	66,662,210
Non-Current Liabilities	295,412,068	309,177,937	219,471	213,045	295,631,539	309,390,982
Total Liabilities	**341,127,120**	**375,816,986**	**329,486**	**236,206**	**341,456,606**	**376,053,192**
Deferred Inflows	**25,712,381**	**36,718,073**	**321,588**	**547,483**	**26,033,969**	**37,265,556**
Net Investment in Capital Assets	72,940,876	59,304,353	460,418	464,905	73,401,294	59,769,258
Restricted	22,192,044	24,361,847	2,041,552	2,318,843	24,233,596	26,680,690
Unrestricted	21,836,233	25,766,519	-	-	21,836,233	25,766,519
Total Net Position	**$ 116,969,153**	**$ 109,432,719**	**$ 2,501,970**	**$ 2,783,748**	**$ 119,471,123**	**$ 112,216,467**

In governmental activities, the largest portion of the District's net position is its investment in capital assets (e.g. land, buildings, and equipment); less related outstanding debt used to acquire those assets. These assets are used to provide services to students and, consequently, are not available for future spending. Sun Prairie Area School District's buildings are in excellent condition, as a result of sufficient annual operating funds appropriated for maintenance and repair.

Restricted net position accounts for 24% of total net position. The District is required by state statute to have available in the debt service fund an amount sufficient to make debt payments required between the beginning of the fiscal year (July 1) and receipt of the first tax payments (normally January 20).

FINANCIAL ANALYSIS (CONTINUED)

Change in Net position

Table 2 shows the changes in net position for the fiscal years 2025 and 2024.

	Governmental Activities		Business-type Activities		Total School District	
	2025	2024	2025	2024	2025	2024
General Revenues:						
Property taxes	$ 80,610,616	$ 55,648,139	$ -	$ -	$ 80,610,616	$ 55,648,139
Debt property taxes	4,981,919	20,291,746	-	-	4,981,919	20,291,746
Community service property taxes	1,000,000	950,000	-	-	1,000,000	950,000
Federal and state aid	69,285,898	64,223,833	-	-	69,285,898	64,223,833
Interest earnings	2,458,796	2,545,304	108,529	141,874	2,567,325	2,687,178
Miscellaneous	939,429	500,268	44,045	26,590	983,474	526,858
Transfers	(40,334)	(16,041)	40,334	16,041	-	-
Total general revenues	**159,236,324**	**144,143,249**	**192,908**	**184,505**	**159,429,232**	**144,327,754**
Program Revenues:						
Charges for service	4,809,648	4,324,588	1,959,781	1,762,012	6,769,429	6,086,600
Operating grants and contributions	14,837,434	17,269,198	2,667,557	2,609,373	17,504,991	19,878,571
Total program revenues	**19,647,082**	**21,593,786**	**4,627,338**	**4,371,385**	**24,274,420**	**25,965,171**
Total revenues	**178,883,406**	**165,737,035**	**4,820,246**	**4,555,890**	**183,703,652**	**170,292,925**
Program Expenses:						
Instruction	81,060,504	71,766,346	-	-	81,060,504	71,766,346
Support	73,050,867	68,480,380	-	-	73,050,867	68,480,380
Non-program services	6,802,790	6,252,735	-	-	6,802,790	6,252,735
Interest expense	10,432,811	9,949,819	-	-	10,432,811	9,949,819
Food service program	-	-	5,102,024	4,955,838	5,102,024	4,955,838
Total expenses	**171,346,972**	**156,449,280**	**5,102,024**	**4,955,838**	**176,448,996**	**161,405,118**
Change in Net Position	**7,536,434**	**9,287,755**	**(281,778)**	**(399,948)**	**7,254,656**	**8,887,807**
Beginning Net Position	109,432,719	98,712,844	2,783,748	3,183,696	112,216,467	101,896,540
Restatement	-	1,432,120	-	-	-	1,432,120
Beginning Net Position - Restated	109,432,719	100,144,964	2,783,748	3,183,696	112,216,467	103,328,660
Ending Net Position	**$ 116,969,153**	**$ 109,432,719**	**$ 2,501,970**	**$ 2,783,748**	**$ 119,471,123**	**$ 112,216,467**

FINANCIAL ANALYSIS (CONTINUED)

Governmental Activities

The District relies primarily on property taxes and general state aid to fund governmental activities.

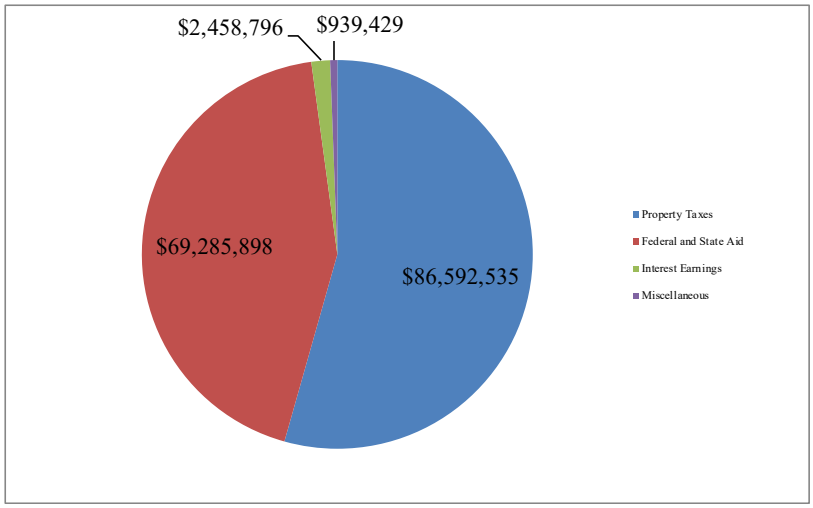
School funding regulations restrict the amount by which these two revenue sources, in combination, may be increased. This restriction, called revenue limit, is intended to help hold down increases in property taxes throughout the state.

General state aid is paid according to a formula taking into consideration spending and property values by District, as compared to spending and property values for the state as a whole. The District is considered a "rich" district by the state and does not receive 2/3 funding.

Chart 1 shows the portion of the District's general revenues allocated to each source.

Taxes	$	86,592,535	54.36%
Federal and State Aid		69,285,898	43.50%
Interest Earnings		2,458,796	1.54%
Miscellaneous		939,429	0.59%
	$	159,276,658	100.0%

Chart 1
General Revenues by Source – Governmental Activities



FINANCIAL ANALYSIS (CONTINUED)

Governmental Funds

As of June 30, 2025, the District's governmental funds reported combined ending fund balance of $58,977,429, a decrease of $24,879,598 from the prior year. The following table provides an analysis of the District's fund balances and the total change in fund balances from the prior year.

Fund	June 30, 2025	June 30, 2024	Change	Change (%)
General	$ 33,850,207	$ 33,573,640	$ 276,567	1%
Debt Service	13,741,780	34,159,127	(20,417,347)	-149%
Capital Improvement Fund	7,759,304	8,855,897	(1,096,593)	-14%
Non-Major	3,626,138	7,268,363	(3,642,225)	-100%
Total	$ 58,977,429	$ 83,857,027	$ (24,879,598)	-42%

Note: The fund balances as of June 30, 2024 have been restated to reflect the regulatory adjustment described in Note 15.

BUDGETARY ANALYSIS

The District adopts an interim budget at its Annual Meeting for the subsequent year, consistent with current state statutes and regulations. This original budget is amended in October to reflect the actual revenue cap and state aid certification. Subsequent amendments reflect revisions made by the Board.

The final 2024-25 General Fund Budget reflected an excess of expenditures over revenues of $3,055,564 final budget. Actual results for 2024-25 show an excess of revenues over expenditures of $276,567.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the fiscal year, the District has an investment of approximately $360 million net of accumulated depreciation in a broad range of capital assets including buildings, sites, and equipment. This amount represents a net decrease of approximately $4 million, which is mostly due to the current year depreciation. Table 3 shows the detail of capital assets:

Table 3
Non-current (Capital) Assets

	Governmental Activities		Business-type Activities		Total School District	
	2025	2024	2025	2024	2025	2024
Land	$ 23,802,114	$ 23,802,114	$ -	$ -	$ 23,802,114	$ 23,802,114
Capital Assets Being Depreciated	448,612,936	442,213,270	1,233,870	1,203,947	449,846,806	443,417,217
Construction in Progress	1,654,029	2,199,970	-	-	1,654,029	2,199,970
Accumulated Depreciation	(114,194,799)	(104,351,908)	(773,452)	(739,042)	(114,968,251)	(105,090,950)
Total	**$ 359,874,280**	**$ 363,863,446**	**$ 460,418**	**$ 464,905**	**$ 360,334,698**	**$ 364,328,351**

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Long-Term Obligations

At year-end, the District had $291 million in long-term obligations. Table 4 shows outstanding long-term obligations:

Table 4
Outstanding Long-Term Obligations

	2025	2024	% Change
General obligation debt	$ 272,395,000	$ 317,770,000	-14.28%
Premium and discount on debt	17,915,052	10,788,491	66.06%
Financed purchase arrangements	119,068	203,153	-41.39%
Compensated absences	621,136	833,173	-25.45%
Total Long-Term Debt	**$ 291,050,256**	**$ 329,594,817**	**-11.69%**

FACTORS BEARING ON THE DISTRICT'S FUTURE

Circumstances that could impact the District's financial future:

- The District will continue to closely monitor enrollment and the impact of enrollment on its budget.
- The State of Wisconsin continues to wrestle with how to distribute state aid.
- The State of Wisconsin also continues to wrestle with revenue cap increases.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

The financial report is prepared to provide a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. In some cases, rounding of amounts occurs. If you have questions about this report or need additional financial information, contact:

Matthew Clark
Director of Business & Finance
501 S. Bird Street
Sun Prairie, WI 53590

FINANCIAL STATEMENTS

SUN PRAIRIE AREA SCHOOL DISTRICT
STATEMENT OF NET POSITION
June 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets:			
Cash and Investments	$ 34,408,242	$ 2,381,770	$ 36,790,012
Restricted Cash and Investments	25,761,228	-	25,761,228
Receivables:			
Taxes	21,870,327	-	21,870,327
Accounts	27,234	68,676	95,910
Internal Balances	610,901	(610,901)	-
Due from Other Governments	3,680,260	106,057	3,786,317
Prepaids	531,400	-	531,400
Inventories	39,467	145,636	185,103
Total Current Assets	86,929,059	2,091,238	89,020,297
Capital Assets:			
Land and Construction in Progress	25,456,143	-	25,456,143
Capital Assets Being Depreciated	448,612,936	1,233,870	449,846,806
Less: Accumulated Depreciation	(114,194,799)	(773,452)	(114,968,251)
Net Capital Assets	359,874,280	460,418	360,334,698
Other Noncurrent Assets:			
Net Subscription-Based Information Technology Arrangement Assets (SBITA)	722,642	-	722,642
Net Lease Assets	158,342	-	158,342
Other Assets	125,000	-	125,000
Total Other Noncurrent Assets	1,005,984	-	1,005,984
Total Assets	447,809,323	2,551,656	450,360,979
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Outflows	33,961,115	601,388	34,562,503
Deferred OPEB Outflows	1,039,457	-	1,039,457
Deferred Supplemental Pension Benefit Outflows	138,213	-	138,213
Loss on Refunding	860,546	-	860,546
Total Deferred Outflows of Resources	35,999,331	601,388	36,600,719
LIABILITIES			
Short-term Notes Payable	13,000,000	-	13,000,000
Accounts Payable	2,515,044	110,015	2,625,059
Accrued Liabilities:			
Payroll and Related Items	12,030,026	-	12,030,026
Interest	3,497,012	-	3,497,012
Due to Other Governments	87	-	87
Current Portion of SBITA Liability	105,352	-	105,352
Current Portion of Lease Liability	42,576	-	42,576
Current Portion of Long-term Obligations	14,524,955	-	14,524,955
Total Current Liabilities	45,715,052	110,015	45,825,067
Noncurrent Liabilities:			
Deposits Payable	-	109,837	109,837
Net Pension Liability	6,191,154	109,634	6,300,788
OPEB Liability	11,361,164	-	11,361,164
Supplemental Pension Benefit Liability	1,138,619	-	1,138,619
Noncurrent Portion of SBITA Liability	77,012	-	77,012
Noncurrent Portion of Lease Liability	118,818	-	118,818
Noncurrent Portion of Long-term Liabilities	276,525,301	-	276,525,301
Total Noncurrent Liabilities	295,412,068	219,471	295,631,539
Total Liabilities	341,127,120	329,486	341,456,606
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Inflows	18,160,453	321,588	18,482,041
Deferred OPEB Inflows	7,213,664	-	7,213,664
Deferred Supplemental Pension Benefit Inflows	338,264	-	338,264
Total Deferred Inflows of Resources	25,712,381	321,588	26,033,969
NET POSITION			
Net Investment in Capital Assets	72,940,876	460,418	73,401,294
Restricted			
Debt Service	10,651,241	-	10,651,241
Community Service	565,922	-	565,922
Self Insurance	1,826,464	-	1,826,464
Future Capital Improvement	7,759,304	-	7,759,304
Food Service	-	2,041,552	2,041,552
Other Funds	1,389,113	-	1,389,113
Unrestricted	21,836,233	-	21,836,233
Total Net Position	$ 116,969,153	$ 2,501,970	$ 119,471,123

See accompanying notes to the financial statements

SUN PRAIRIE AREA SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental Activities:						
Instruction	$ 81,060,504	$ 4,424,408	$ 8,808,388	$ (67,827,708)		$ (67,827,708)
Support Services	73,050,867	385,240	6,029,046	(66,636,581)		(66,636,581)
Non-program Services	6,802,790	-	-	(6,802,790)		(6,802,790)
Interest and Fiscal Charges	10,432,811	-	-	(10,432,811)		(10,432,811)
Total Governmental Activities	171,346,972	4,809,648	14,837,434	(151,699,890)		(151,699,890)
Business-type Activities:						
Food Service Program	5,102,024	1,959,781	2,667,557	-	$ (474,686)	(474,686)
Total Business-type Activities	5,102,024	1,959,781	2,667,557	-	(474,686)	(474,686)
Total	$ 176,448,996	$ 6,769,429	$ 17,504,991	(151,699,890)	(474,686)	(152,174,576)
General Revenues:						
Taxes:						
Property Taxes, levied for general purposes				80,610,616	-	80,610,616
Property Taxes, levied for debt service				4,981,919	-	4,981,919
Property Taxes, levied for community service				1,000,000	-	1,000,000
Federal and State Aid not Restricted to Specific Purpose				69,285,898	-	69,285,898
Interest and Investment Earnings				2,458,796	108,529	2,567,325
Miscellaneous				909,169	29,356	938,525
Special Item - Gain (Loss) on Sale of Fixed Assets				30,260	14,689	44,949
Transfers				(40,334)	40,334	-
Total General Revenues, Special Items and Transfers				159,236,324	192,908	159,429,232
Change in Net Position				7,536,434	(281,778)	7,254,656
Net position - Beginning of year				108,000,599	2,783,748	110,784,347
Prior period adjustment - Error correction				1,432,120	-	1,432,120
Net position - Beginning, as restated				109,432,719	2,783,748	112,216,467
Net position - End of year				$ 116,969,153	$ 2,501,970	$ 119,471,123

See accompanying notes to the financial statements

SUN PRAIRIE AREA SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

	General Fund	Debt Service	Capital Improvement Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Investments	$ 34,074,909	$ -	$ -	$ 333,333	$ 34,408,242
Restricted Cash and Investments	1,177,096	13,741,780	8,915,326	1,927,026	25,761,228
Receivables:					
Taxes	21,870,327	-	-	-	21,870,327
Accounts	27,234	-	-	-	27,234
Due from Other Funds	1,369,597	-	-	1,460,855	2,830,452
Due from Other Governments	3,671,685	-	-	8,575	3,680,260
Inventories	39,467	-	-	-	39,467
Prepaid Expenses	531,400	-	-	-	531,400
Total Assets	$ 62,761,715	$ 13,741,780	$ 8,915,326	$ 3,729,789	$ 89,148,610
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$ 2,013,759	$ -	$ 430,047	$ 71,238	$ 2,515,044
Accrued Liabilities	5,279,812	-	-	-	5,279,812
Accrued Wages Payable	7,156,687	-	-	-	7,156,687
Due to Other Funds	1,461,163	-	725,975	32,413	2,219,551
Due to Other Governments	87	-	-	-	87
Short-term Notes Payable	13,000,000	-	-	-	13,000,000
Total Liabilities	28,911,508	-	1,156,022	103,651	30,171,181
Fund Balances:					
Nonspendable	570,867	-	-	-	570,867
Restricted	3,215,577	13,741,780	7,759,304	2,663,866	27,380,527
Committed	-	-	-	962,272	962,272
Assigned	6,500,000	-	-	-	6,500,000
Unassigned	23,563,763	-	-	-	23,563,763
Total Fund Balances	33,850,207	13,741,780	7,759,304	3,626,138	58,977,429
Total Liabilities and Fund Balances	$ 62,761,715	$ 13,741,780	$ 8,915,326	$ 3,729,789	$ 89,148,610

See accompanying notes to the financial statements

SUN PRAIRIE AREA SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2025

Total fund balance, governmental funds	$ 58,977,429
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	359,874,280
Subscription Based Information Technology Arrangements used in governmental activities are not current financial resources and therefore are not reported as assets in governmental funds:	
Governmental SBITA Asset	1,124,097
Governmental accumulated amortization	(401,455)
Right to use leased assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds:	
Governmental Lease Asset	181,996
Governmental accumulated amortization	(23,654)
Certain other long-term assets are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	
Intangible assets	125,000
Other items, including OPEB liability, pension liability, and supplemental pension benefit liability, are not due and payable in the current period and, therefore, are either deferred or not reported in the fund financial statements.	
Total OPEB liability	(11,361,164)
Total supplemental pension benefit liability	(1,138,619)
Net pension liability	(6,191,154)
Pension and other benefits deferred outflows of resources and deferred inflows of resources are actuarially determined by the defined benefit pension plan and OPEB plan. These items are reflected in the Statement of Net Position and are being amortized with pension and OPEB expenses in the Statement of Activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and, therefore, are not reported in the fund financial statement.	
Deferred pension outflows	33,961,115
Deferred OPEB outflows	1,039,457
Deferred supplemental pension benefit outflows	138,213
Deferred pension inflows	(18,160,453)
Deferred OPEB inflows	(7,213,664)
Deferred supplemental pension benefit inflows	(338,264)
Some liabilities (such as Notes Payable, Financed Purchase Arrangements, Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.	
General obligation debt	(272,395,000)
SBITA Liability	(182,364)
Lease Liability	(161,394)
Deferred outflows - loss on refunding	860,546
Financed purchase arrangements	(119,068)
Accrued interest on long-term debt	(3,090,539)
Compensated absences	(621,136)
Discount on long-term debt	34,480
Premium on long-term debt	(17,949,532)
Net Position of Governmental Activities in the Statement of Net Position	$ 116,969,153

See accompanying notes to the financial statements

SUN PRAIRIE AREA SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	General Fund	Debt Service	Formerly Non-Major Fund Capital Improvement Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Local	$ 83,307,841	$ 5,645,137	$ 282,659	$ 1,985,654	$ 91,221,291
Interdistrict	3,758,639	-	-	39,445	3,798,084
Intermediate	7,022	-	-	-	7,022
State	77,689,304	-	-	130,000	77,819,304
Federal	5,066,957	-	-	-	5,066,957
Other	633,673	-	340,576	6,571	980,820
Total Revenues	170,463,436	5,645,137	623,235	2,161,670	178,893,478
EXPENDITURES					
Current:					
Instruction	78,450,112	-	9,347	443,455	78,902,914
Support Service	60,699,836	-	127,043	1,778,205	62,605,084
Non-Program Services	6,751,495	-	-	51,295	6,802,790
Debt Service:					
Principal Repayment	344,723	109,780,000	-	-	110,124,723
Interest and Fiscal Charges	618,167	11,025,402	-	-	11,643,569
Capital Outlay	1,690,983	-	1,583,438	3,549,805	6,824,226
Total Expenditures	148,555,316	120,805,402	1,719,828	5,822,760	276,903,306
Excess (Deficiency) of Revenues Over Expenditures	21,908,120	(115,160,265)	(1,096,593)	(3,661,090)	(98,009,828)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	22,000,000	-	18,865	22,018,865
Transfers Out	(22,059,199)	-	-	-	(22,059,199)
Premium on Long-term Debt	-	8,337,918	-	-	8,337,918
Debt Proceeds from Long-term Loan	-	64,405,000	-	-	64,405,000
SBITA Proceeds	178,918	-	-	-	178,918
Lease Proceeds	181,996	-	-	-	181,996
Proceeds from Sale of Capital Assets	66,732	-	-	-	66,732
Total Other Financing Sources (Uses)	(21,631,553)	94,742,918	-	18,865	73,130,230
Net Change in Fund Balances	276,567	(20,417,347)	(1,096,593)	(3,642,225)	(24,879,598)
Fund Balances - Beginning, as previously reported	33,573,640	15,412,007	-	16,124,260	65,109,907
Error correction	-	18,747,120	-	-	18,747,120
Change within financial reporting entity (non-major to major fund)	-	-	8,855,897	(8,855,897)	-
Fund Balances - Beginning, as adjusted or restated	33,573,640	34,159,127	8,855,897	7,268,363	83,857,027
Fund Balances - Ending	$ 33,850,207	$ 13,741,780	$ 7,759,304	$ 3,626,138	$ 58,977,429

See accompanying notes to the financial statements

SUN PRAIRIE AREA SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

Net change in fund balances - total governmental funds:	$ (24,879,598)
Amounts reported for Governmental Activities in the Statement of Activities are different because:	
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.	
This is the amount by which depreciation ($9,992,108) were more than capital outlays ($6,039,414) in the current period.	(3,952,694)
Governmental funds report additions for SBITA's as expenditures because such additions use current financial resources. In contrast, the Statement of Activities reports only a portion of the additions as expense. The additions are allocated over the SBITA's estimated useful lives as amortization expense for the period.	
This is the amount by which current year SBITA's addition ($687,548) were greater than amortization ($358,892) in the current period.	328,656
Governmental funds report additions for Right-of-Use leased assets as expenditures because such additions use current financial resources. In contrast, the Statement of Activities reports only a portion of the additions as expense. The additions are allocated over the applicable lease term as annual amortization expense for the period.	
This is the amount by which current year Lease's ($181,996) were greater than amortization ($23,654) in the current period.	158,342
Additions from SBITA liabilities are reported as revenue in the governmental funds but increase long-term liabilities in the Statement of Net Position.	(178,918)
Additions from lease liabilities are reported as revenue in the governmental funds but increase long-term liabilities in the Statement of Net Position.	(181,996)
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the Statement of Net Position and does not affect the Statement of Activities.	
The amount of long-term debt principal payments in the current year is:	109,780,000
The amount of financed purchase arrangements principal payments in the current year is:	84,085
The amount of SBITA liabilities in the current year is:	240,037
The amount of lease liabilities in the current year is:	20,602
Debt incurred in governmental funds is reported as an other financing source, but is reported as an increase in outstanding long-term debt in the Statement of Net Position and does not affect the Statement of Activities.	
Proceeds from the issuance of notes and bonds	(64,405,000)
Debt premium from the issuance of refunding bonds	(8,337,918)
Governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are netted against outstanding debt and amortized in the Statement of Activities.	
Amortization of bond premium	1,243,321
Amortization of bond discount	(31,964)
In the Statement of Activities, amortization is recorded on the deferred outflows of resources related to bond refunding, whereas in the governmental funds, no related amortization is reported.	
Amortization of loss on refunding	(295,914)
Payments for an intangible assets are reported expenditures on the fund financial statements, but are capitalized and amortized on the government-wide financial statements.	
Amortization of intangible assets	(15,000)
Pension expense reported in the governmental funds represents current year required contributions into the defined benefit pension plan. Pension expense in the Statement of Activities is actuarially determined by the defined benefit pension plan as the difference between the net pension liability (asset) from the prior year to the current year, with some adjustments.	
Amount of current year required contributions into the defined benefit pension plan	5,520,956
Actuarially determined change in net pension liability (asset) between years, with adjustments	(7,917,448)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:	
Accrued interest not reflected on governmental funds	293,883
SBITA interest	2,106
Lease interest	(672)
Compensated absences	212,037
Total other postemployment benefits obligation expense	(97,005)
Total supplemental pension benefit expense	(16,992)
Loss on disposal of capital assets	(36,472)
Change in net position of governmental activities	$ 7,536,434

See accompanying notes to the financial statements

SUN PRAIRIE AREA SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2025

	Food Service
ASSETS	
Current Assets:	
Cash and Cash Equivalents	$ 2,381,770
Accounts Receivable	68,676
Due from Other Funds	23,446
Due from Other Governments	106,057
Inventories	145,636
Total Current Assets	2,725,585
Furniture and Equipment	1,233,870
Less Accumulated Depreciation	(773,452)
Net Capital Assets	460,418
Total Noncurrent Assets	460,418
Total Assets	3,186,003
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Pension Outflows	601,388
Total Deferred Outflows of Resources	601,388
LIABILITIES	
Current Liabilities:	
Accounts Payable	110,015
Due to Other Funds	634,347
Total Current Liabilities	744,362
Noncurrent Liabilities:	
Net Pension Liability	109,634
Deposits Payable	109,837
Total Noncurrent Liabilities	219,471
Total Liabilities	963,833
DEFERRED INFLOWS OF RESOURCES	
Deferred Pension Inflows	321,588
Total Deferred Inflows of Resources	321,588
NET POSITION	
Net Investment in Capital Assets	460,418
Restricted for Food Service	2,041,552
Total Net Position	$ 2,501,970

See accompanying notes to the financial statements

SUN PRAIRIE AREA SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2025

	Food Service
OPERATING REVENUES	
Food Sales	$ 1,959,781
State Sources	57,536
Federal Sources	2,221,231
Commodities	381,739
Miscellaneous Income	36,407
Total Operating Revenues	4,656,694
OPERATING EXPENSES	
Salaries and Wages	1,623,499
Employer Paid Benefits	714,950
Purchased Services	182,184
Food and Materials	2,418,262
Depreciation	45,488
Other	117,641
Total Operating Expenses	5,102,024
Operating Income (Loss)	(445,330)
NON-OPERATING REVENUES	
Interest and Investment Revenue	108,529
Total Non-Operating Revenue	108,529
Income (Loss) Before Transfers and Special Items	(336,801)
Transfers In	40,334
Special Item - Gain (Loss) on Sale of Assets	14,689
Net Transfers and Special Item	55,023
Change in Net Position	(281,778)
Total Net Position - Beginning of year	2,783,748
Total Net Position - End of year	$ 2,501,970

See accompanying notes to the financial statements

SUN PRAIRIE AREA SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2025

	Food Service
Cash Flows from Operating Activities:	
Cash received from user charges	$ 1,997,496
Cash received from other governmental payments	2,233,955
Cash received (paid to) through interfunds	(294,858)
Cash payments to employees for services	(2,287,300)
Cash payments to utilities and other purchased services	(182,184)
Cash payments to suppliers for goods and services	(1,961,087)
Cash payments for other operating activities	(117,641)
Net cash provided (used) by operating activities	(611,619)
Cash Flows from Non-Capital Financing Activities:	
Transfer in (out) from (to) other funds	40,334
Net cash provided (used) by non-capital financing activities	40,334
Cash Flows from Capital Financing Activities:	
Purchase of capital assets	(41,001)
Net cash provided (used) by capital financing activities	(41,001)
Cash Flows from Investing Activities:	
Interest on investments	108,529
Net cash provided (used) by investing activities	108,529
Net increase in cash and cash equivalents	(503,757)
Cash and equivalents- beginning of year	2,885,527
Cash and equivalents- end of year	$ 2,381,770
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	$ (445,330)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	45,488
Gain (loss) on sale of assets	14,689
Changes in assets and liabilities:	
Due to (from) other governments	(44,812)
Due to (from) other funds	(294,858)
Accounts receivable	2,253
Inventory	(26,107)
Accounts payable	86,854
Pension expense	51,149
Deposits payable	(945)
Net cash provided (used) by operating activities	$ (611,619)
Noncash operating activities:	
Donated food commodities	$ 381,739

See accompanying notes to the financial statements

1. Summary of Significant Accounting Policies

The accounting policies of the Sun Prairie Area School District (the District) conform to the generally accepted accounting principles as applicable to governmental units. The accepted standard setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. Introduction

The District is organized as a common school district. The District, governed by a seven-member elected school board, operates grades 4K through 12 and is comprised of all or parts of ten taxing districts. As required by accounting principles generally accepted in the United States of America, these financial statements present the District as the primary government.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the District are described below.

B. Component Units

Accounting principles generally accepted in the United States of America require that these financial statements include the primary government and its component units. Component units are separate organizations that are included in the District's reporting entity because of the significance of their operational or financial relationships with the District. All significant activities and organizations with which the District exercises oversight responsibility have been considered for inclusion in the basic financial statements. The District has no component units, and it is not included in any other governmental reporting entity.

C. District-Wide Statements

The Statement of Net Position and the Statement of Activities present financial information about the District's governmental and business-type activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in part by fees charged to external parties.

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

1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting

The fund statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented.

The emphasis of fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. All remaining funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal value. Non-operating revenues, such as investments earnings, result from nonexchange transactions or ancillary activities.

The District reports the following major governmental funds:

General Fund – The General Fund is the operating fund of the District. It is used to account for all financial resources of the District except those required to be accounted for in other funds. Under GASB 54, the General Fund now includes the operations of the Special Education Fund.

Debt Service Fund – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental activities.

Capital Improvement – This fund accounts for resources set aside for future capital improvement projects and major maintenance needs in accordance with the District's long-term capital improvement plan.

The District also has the following non-major funds:

- Special Revenue Trust
- Community Service
- Package Cooperative
- Capital Projects

Enterprise Funds

The District operates one major enterprise fund, the Food Service Fund. This fund accounts for the activities of the District's food service programs.

1. Summary of Significant Accounting Policies (Continued)

E. Measurement Focus and Basis of Accounting

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

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Expenditures are generally recognized under the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures when paid. Interest cost on temporary borrowing is recognized as an expenditure of the fiscal period incurred. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Noncurrent portions of long-term receivables due to governmental funds are reported on the balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources," since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables is reported as deferred inflows until they become current receivables.

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 2024 tax levy is used to finance operations of the District's fiscal year ended June 30, 2025. All property taxes are considered due on January 1, when an enforceable lien is assessed against the property and the taxpayer is liable for the taxes. All taxes are collected within 60 days of June 30 and are available to pay current liabilities.

State general and categorical aids, federal impact aid, and other entitlements are recognized as revenue at the time of receipt, or earlier if the "susceptible to accrual" criteria are met. Expenditure-driven programs currently reimbursable are recognized as revenue when the qualifying expenditures have been incurred. Aids received prior to meeting revenue recognition criteria are recorded as deferred inflows.

Charges for services provided to other educational agencies and private parties are recognized as revenue when services are provided. Charges for special educational services are not reduced by anticipated state special aid entitlements.

1. Summary of Significant Accounting Policies (Continued)

E. Measurement Focus and Basis of Accounting (Continued)

Interest income on temporary investments is recognized in the fiscal period earned.

Costs for educational services provided to the District by other educational agencies or private organizations are recognized when incurred. Costs for special education services are not reduced by anticipated state special education aid entitlements.

F. Deposits and Investments

The District's cash and equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

The District has pooled the cash resources of its funds in order to maximize investment opportunities. Each fund's portion of total cash and investments is reported as cash and cash equivalents/investments by the District's individual major funds and in the aggregate for non-major funds.

Wisconsin Statute 66.0603 authorizes the District to invest in the following types of instruments:

- Time deposits in any credit union, bank, savings bank, trust company, or savings and loan association which is authorized to transact business in the State of Wisconsin.
- Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, local cultural arts district, or by the University of Wisconsin Hospitals and Clinics Authority, or the Wisconsin Aerospace Authority.
- Bonds or securities issued or guaranteed as to principal or interest by the federal government or by a commission, board, or other instrumentality of the federal government (U.S. Treasuries and U.S. Agencies).
- The Local Government Investment Pool (LGIP).
- Any security maturing in seven years or less of the acquisition date 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 if the portfolio is limited to the obligations of the U.S. Treasury and U.S. Agencies or repurchase agreements full collateralized by bonds or securities, subject to various conditions and investment options.
- Repurchase agreements with public depositories, with certain conditions.

For purposes of the proprietary fund Statement of Cash Flows, the District considers all highly liquid investments with a maturity of less than three months, when purchased, to be cash equivalents. This consists of current cash and investments.

1. Summary of Significant Accounting Policies (Continued)

F. Deposits and Investments (Continued)

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances.

See Note 3 for additional information.

G. Receivables and Payables

Property Taxes

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

Interfunds

The current portion of lending/borrowing arrangements between funds is identified as "due to/from other funds". The noncurrent portion of outstanding balances between funds is reported as "advances to/from other funds". Advances between funds are offset by a nonspendable fund balance to indicate that they are not available for appropriation and are not expendable available financial resources.

Accounts Receivable

All accounts receivable are shown as gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance is not material.

H. Other Assets

Expendable supplies or noncapital items acquired for initial use in subsequent fiscal periods are recorded as inventories and/or prepaid expenses. Prepaid insurance or service contracts are not recorded unless their recognition as an expenditure would result in more than one year's cost being recorded. Inventory and prepaid supplies are valued at the lower of cost (first-in, first-out method) or market. Inventory consists of expendable supplies held for consumption. Costs are recorded as expenditures at the time individual inventory items are consumed.

1. Summary of Significant Accounting Policies (Continued)

I. Capital Assets

Capital assets are reported at actual cost. Estimated historical costs, based on appraisals conducted by an independent third-party professional appraisal firm, were used when capital asset database was established. Donated assets are reported at estimated acquisition value at the time received.

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

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Building and building improvements	$ 10,000	Straight-line	20-50 years
Land improvements	10,000	Straight-line	10-20 years
Furniture and equipment	10,000	Straight-line	5-20 years

J. Subscription-Based Information Technology Arrangements (SBITA)

The District recognizes these subscription-based information technology arrangements (SBITA) as a financing right to use an underlying asset. SBITA assets are determined at their fair value, while SBITA liabilities represent the present value of future lease payments over the lease term. This approach aligns with the principles of GASB No. 96 and ensures that the District accurately reflects the economic substance of its SBTIA transactions. See Note 7 for more information.

K. Right-of-use Lease Assets

The District has recorded a right-of-use lease asset. The asset is initially measured at the amount of the related lease liability, adjusted for any lease payments made before the lease commencement date, lease incentives received, and any ancillary costs necessary to place the leased asset into service. The right-of-use lease asset is amortized on a straight-line basis over the term of the lease.

L. Compensated Absences

Under the terms of employment, employees are granted leave in varying amounts. Benefits considered to be more likely than not to be used or settled at termination are recognized in the financial statements. The District uses a last in first out (LIFO) method in determining the order in which accumulated leave is considered used.

Accumulated leave expected to be settled with noncurrent resources is reported as a liability in the statement of net position. A liability is recorded for the portion of accumulating leave benefits that is more likely than not to be used by employees, as well as for the portion expected to be paid upon retirement. The District also accrues salary-related payments associated with compensated absences.

At retirement, certain employee groups may convert unused sick leave into a post-retirement health-care benefit. The anticipated liability for these benefits is included in the District's actuarial valuation under GASB 75 and is not part of the estimated accrual reported as compensated absences.

1. Summary of Significant Accounting Policies (Continued)

M. Other Post-Employment Benefits (OPEB) Plan

As provided in applicable negotiated contracts, qualified employees meeting minimum age and length of service requirements may be eligible for certain other postemployment benefits directly from the District. The District makes annual contributions on a pay-as-you-go basis. See Note 13 for additional information.

N. Supplemental Pension (Stipend) Benefit

The District contributes $3,200 per year for 3 years to a non-elective post-employment 403(b) plan for eligible retirees. Funding is on a pay-as-you-go basis. The District's supplemental pension liability is actuarily determined. See Note 14 for additional information.

O. Pensions

The fiduciary net position of the Wisconsin Retirement System (WRS) has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the following:

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

Information about the fiduciary net position of the WRS and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Deferred Outflows and Inflows of Resources

Deferred outflow of resources represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Deferred inflow of resources represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

1. Summary of Significant Accounting Policies (Continued)

Q. Estimates

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

R. Net Position

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

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

S. Fund Balance

The District's fund equity is classified as fund balance. In the fund financial statements, governmental fund balance is presented in five possible categories:

Nonspendable – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.

Restricted – resources with 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 – resources which are subject to limitation the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner.

Assigned – resources neither restricted nor committed for which a government has a stated intended use as established by the District Board or a body or official of which the District Board has delegated the authority to assign amounts for specific purposes.

Unassigned – resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

When restricted and other fund balance resources are available for use, it is the District's policy to use restricted resources first, followed by committed, assigned, and unassigned amounts, respectively.

1. Summary of Significant Accounting Policies (Continued)

S. Fund Balance (Continued)

The goal for the fund balance is fifteen percent (15%) of the annual proposed level of general fund expenditures. All assigned and unassigned funds shall be used for this purpose. To provide good fiscal management of the fund balance, two separate motions shall be required to use any portion of these funds for purposes other than meeting cash flow needs. The first motion must identify the amount of dollars to be transferred from the fund balance to the operating budget. A second motion must identify the purpose of the expenditure(s). Both of these motions shall be approved by a minimum of six (6) Board members. If surplus money exists at the end of a fiscal year, the money will be put into the unassigned account for the following fiscal year unless the School Board approves a different plan.

T. Change in Accounting Principles

Effective July 1, 2024, the District adopted GASB Statement No. 101, *Compensated Absences*. GASB No. 101 was issued to provide guidance on the accounting and financial reporting for compensated absences. The District updated its recognition and measurement of compensated absences in accordance with GASB No. 101. The impact of adoption was not material, and no restatement of beginning net position was necessary.

Effective July 1, 2024, the District adopted GASB Statement No. 102, *Certain Risk Disclosures*. GASB 102 was issued to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The District does not have any certain risk disclosures requiring disclosure in the financial statements.

2. Explanation of Certain Differences between Governmental Fund Statements and District-wide Statements

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

Explanation of Differences between Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities

Differences between the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities fall into one of four broad categories:

1) Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used on the Statement of Activities.

2) Capital related differences include the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the Statement of Activities.

2. Explanation of Certain Differences between Governmental Fund Statements and District-wide Statements (Continued)

3) Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest expense is recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

4) Payments for post-employment benefits and pension benefits are recorded when paid in the fund financial statements. Expenses are recorded in the Statement of Activities when incurred, and payments are recorded as a reduction of the post-employment and pension liabilities in the Statement of Net Position.

3. Cash and Investments

For all the District's cash and investments shown below, the market value at the balance sheet date is substantially the same as the fair value. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit. At various times during the year, the District's deposits were higher than the June 30, 2025 balances, detailed below. This means that the District's risk and exposure could be higher at these times.

Depository:	Carrying Amount	Fair Value	Associated Risk
Local Financial Institutions	$ 227,542	$ 229,395	Custodial credit risk
Other Cash and Investments:			
Petty Cash	2,464	2,464	Not applicable
WISC Financial Investments:			
WISC SDA	11,547,614	11,547,614	Custodial credit risk
WISC Investment Series	30,192,320	30,192,320	Credit risk
WISC Cash Management Series	17,144,794	17,144,794	Credit risk
WISC LTD	3,436,506	3,436,506	Credit risk
Total June 30, 2024	$ 62,551,240	$ 62,553,093	

A reconciliation of cash and investments as shown on the statements is as follows:

Statement of Net Position:	
Cash and Investments	$ 36,790,012
Restricted Cash and Investments:	
Capital Projects	10,842,352
Debt Service	13,741,780
Other	1,177,096
Total	$ 62,551,240

3. Cash and Investments (Continued)

The Wisconsin Investment Cooperative Series (WISC) is investment pool established by intergovernmental agreement. The pool invests in investments legally permissible under Wisconsin law. PMA Financial Network is the administrator and investment manager for the WISC. The WISC is not registered with the Securities and Exchange Commission, but invests in funds in accordance with applicable Wisconsin statutes. The WISC has the characteristics of a mutual fund and accordingly, reports the value of its underlying assets at fair value. At June 30, 2025, the District's share of the WISC's assets was substantially equal to the amount reported above.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. 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 has no investment policy that would further limit its investments choices beyond applicable state statutes.

As of June 30, 2025, the District's investments were rated as follows:

Investment	Rating	Fair Value
WISC Investment Series	S&P - AAAm	$ 30,192,320
WISC Cash Management Series	S&P - AAAm	17,144,794
WISC LTD	Average Credit Quality - AA	3,436,506
Total		$ 50,773,620

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater sensitivity its fair value has to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure of fair value losses arising from increasing interest rates.

The District had no investments with sensitive market interest rates in current year.

Concentration of Credit Risk

The District does not have a policy for concentration of credit risk. No District investment (other than U.S. Treasury securities, mutual fund, and external investment pools) represents 5% or more of the total investments.

Custodial Credit Risk

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. The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the District would not be able to recover the value of its investment of collateral securities that are in the possession of another party. The District does not have a deposit policy for custodial credit risk.

3. Cash and Investments (Continued)

Deposits in banks are insured by the FDIC in the amount of $250,000 for demand accounts and $250,000 for time and savings accounts. Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of $1,000,000. Due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual municipalities.

As of June 30, 2025, the District's had no deposits with financial institutions in excess of federal and state depository insurance limits that were exposed to custodial credit risk.

4. Due from/Due to Other Funds

Individual fund interfund receivable and payable balances on June 30, 2025 are as follows:

Due To	Amount	Due From	Purpose
General Fund	$ 634,347	Food Service	Operations
General Fund	9,275	Package Cooperative	Operations
General Fund	725,975	Capital Improvement Fund	Reimbursement
Subtotal General Fund	1,369,597		
Special Revenue Trust Fund	690,817	General Fund	Operations
Special Revenue Trust Fund	585	Community Services	Reimbursement
Capital Projects	176,255	General Fund	Capital Projects
Community Services	592,498	General Fund	Operations
Package Cooperative	700	Special Revenue Trust Fund	Reimbursement
Subtotal Non-major Funds	1,460,855		
Subtotal Governmental Funds	2,830,452		
Food Service	1,593	General Fund	Operations
Food Service	16,306	Special Revenue Trust Fund	Operations
Food Service	5,547	Community Services	Operations
Subtotal Food Service	23,446		
Totals - Fund Financial Statements	2,853,898		
Less: Fund Eliminations	(2,196,105)		
Less: Due to Proprietary Fund Eliminations	(46,892)		
Total Government-Wide Statement of Net Position	$ 610,901		

Interfund balances generally arise from the District's policy not to pool cash and investments. All are expected to be settled in the following year.

5. Interfund Transfers

The District had the following interfund transfers:

Purpose	Receivable Fund	Payable Fund	Amount
Support Operations	Package Cooperative	General	$ 18,865
Support Tax Levy and Operations	Referendum Debt	General	22,000,000
Support Operations	Food Service	General	40,334
	Totals - Fund Financial Statements		22,059,199
	Less: Fund Eliminations		(22,018,865)
	Total Government-Wide Statement of Activities		$ 40,334

6. Capital Assets

Capital asset activity for the year ended June 30, 2025 was as follows:

	Balance 7/1/2024	Additions	Retirements	Balance 6/30/2025
Governmental Activities				
Non-Depreciable Capital Assets:				
Land	$ 23,802,114	$ -	$ -	$ 23,802,114
Construction in Progress	2,199,970	1,794,249	(2,340,190)	1,654,029
Total Non-Depreciable Capital Assets	26,002,084	1,794,249	(2,340,190)	25,456,143
Capital Assets Being Depreciated	442,213,270	6,585,355	(185,689)	448,612,936
Total Capital Assets	468,215,354	8,379,604	(2,525,879)	474,069,079
Less Accumulated Depreciation	(104,351,908)	(9,992,108)	149,217	(114,194,799)
Net Governmental Capital Assets	363,863,446	(1,612,504)	(2,376,662)	359,874,280
Business-Type Activities				
Capital Assets Being Depreciated	1,203,947	41,001	(11,078)	1,233,870
Less Accumulated Depreciation	(739,042)	(45,488)	11,078	(773,452)
Net Business-Type Capital Assets	464,905	(4,487)	-	460,418
Total Non-Depreciable Capital Assets	26,002,084	1,794,249	(2,340,190)	25,456,143
Total Depreciable Capital Assets	443,417,217	6,626,356	(196,767)	449,846,806
Total Accumulated Depreciation	(105,090,950)	(10,037,596)	160,295	(114,968,251)
Total Capital Assets Net of Depreciation	$ 364,328,351	$ (1,616,991)	$ (2,376,662)	$ 360,334,698

6. Capital Assets (Continued)

Depreciation expense was charged to the following functions:

Instruction	$ 444,106
Support	9,548,002
Total Governmental	9,992,108
Food Service	45,488
Total Depreciation	$ 10,037,596

7. Subscription-Based Information Technology Arrangements (SBITA)

The District has entered into subscription-based information technology arrangements (SBITA) involving:

- Various interactive instructional curriculum subscriptions
- Software managing input information on students and academics
- An asset tracking system
- Antivirus software and malware licenses

The total costs of the District's subscription assets are as follows:

SBITA Assets	Balance 7/1/2024	Additions	Retirements	Balance 6/30/2025	Amounts Due Within One Year
SBITA - GASB 96	$ 733,265	$ 687,548	$ (296,716)	$ 1,124,097	
Less: Accumulated Amortization	(339,279)	(358,892)	296,716	(401,455)	
Total SBITA Assets, net	$ 393,986	$ 328,656	$ -	$ 722,642	
SBITA Liabilities	$ 243,484	$ 178,918	$ (240,037)	$ 182,364	$ 105,352

The total SBITA costs for the year ended June 30, 2025 are as follows:

SBITA expense	2025
Amortization expense by class of underlying asset	
SBITA - GASB 96	$ 358,892
Total amortization expense	358,892
Interest on SBITA liabilities	9,682
Total	$ 368,574

7. Subscription-Based Information Technology Arrangements (SBITA) (Continued)

The future minimum SBITA principal and interest payments under noncancelable contracts with terms greater than one year are listed below as of June 30, 2025:

	Principal	Interest	Total
2026	$ 105,352	$ 9,330	$ 114,682
2027	77,012	3,940	80,952
Total	$ 182,364	$ 13,270	$ 195,634

8. Leases

The District entered into six vehicle lease agreements in the 2024/2025 fiscal year. As of June 30, 2025, the total amounts of the District's right-of-use lease assets and related lease liabilities are as follows:

Lease Assets	Balance 7/1/2024	Additions	Retirements	Balance 6/30/2025	Amounts Due Within One Year
Vehicles	$ -	$ 181,996	$ -	$ 181,996	
Less: Accumulated Amortization	-	(23,654)	-	(23,654)	
Total Lease Assets, net	$ -	$ 158,342	$ -	$ 158,342	
Lease Liabilities	$ -	$ 181,996	$ (20,602)	$ 161,394	$ 42,576

The total lease expense for the year ended June 30, 2025 are as follows:

Lease expense	2025
Amortization expense by class of underlying asset	
Vehicles	$ 23,654
Total amortization expense	23,654
Interest on lease liabilities	4,535
Total	$ 28,189

The future minimum lease principal and interest payments under noncancelable contracts with terms greater than one year are listed below as of June 30, 2025:

	Principal	Interest	Total
2026	$ 42,576	$ 7,103	$ 49,679
2027	44,755	4,925	49,680
2028	47,044	2,635	49,679
2029	27,019	433	27,452
Total	$ 161,394	$ 15,096	$ 176,490

9. Short-term Notes Payable

Short-term notes payable at June 30, 2025 are as follows:

Description	Issue Date	Interest Rate %	Date of Maturity	Balance
Levy & Aid Anticipation Notes	10/24/2024	5.00%	9/24/2025	$ 13,000,000
Total Short-Term Notes Payable				$ 13,000,000

Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025
$ 9,000,000	$ 13,000,000	$ 9,000,000	$ 13,000,000

The District is a participant in the PMA Levy and Aid Anticipation Notes Program Taxable Note Participations, Series 2024B. The participations are delivered under a Master Indenture of Trust dated October 24, 2024. The District's participation consists of $13,000,000 borrowed with a maturity date of September 24, 2025.

The purpose of issuing the notes is to provide interim financing for meeting the immediate expenses of operating and maintaining the public instruction in the District for the school year.

10. Long-term Obligations

Long-term obligations of the District are as follows:

	Balance 7/1/2024	Issued	Retired	Balance 6/30/2025	Amount Due Within One Year
General obligation bonds*	$ 317,770,000	$ 64,405,000	$ 109,780,000	$ 272,395,000	$ 12,515,000
Subtotal G.O. Debt	317,770,000	64,405,000	109,780,000	272,395,000	12,515,000
Premium on debt	10,854,935	8,337,918	1,243,321	17,949,532	1,937,167
Discount on debt	(66,444)	-	(31,964)	(34,480)	(11,480)
Financed purchase arrangements	203,153	-	84,085	119,068	31,129
Compensated absences**	833,173	-	212,037	621,136	53,139
Total Long-Term Obligations	$ 329,594,817	$ 72,742,918	$ 111,287,479	$ 291,050,256	$ 14,524,955

* The beginning general obligation bonds balance has been restated to reflect the error correction described in Note 15

** The change in compensated absences liability is presented as a net change.

10. Long-term Obligations (Continued)

General Obligation Debt

All general obligation debt is secured by the full faith and credit and unlimited taxing powers of the District. General obligation debt at June 30, 2025 is comprised of the following individual issues:

Description	Issue Dates	Interest Rate %	Dates of Maturity	Balance	Amount Due Within One Year
GO Refunding Bonds	4/23/2015	2.50%	3/1/2026	$ 1,065,000	$ 1,065,000
GO Refunding Bonds	4/20/2016	2.00-2.375%	3/1/2028	7,585,000	2,500,000
GO Refunding Bonds	3/2/2017	3.50-4.00%	3/1/2037	24,455,000	-
GO Refunding Bonds	3/21/2019	4.00-5.00%	3/1/2029	24,380,000	4,265,000
GO Refunding Bonds	8/29/2019	3.00-5.00%	3/1/2039	79,780,000	3,400,000
GO Refunding Bonds	8/18/2020	2.0-3.0%	3/1/2040	38,045,000	-
GO Refunding Bonds	4/15/2021	2.0-5.0%	3/1/2041	32,680,000	985,000
GO Refunding Bonds	3/27/2025	5.00%	3/1/2035	64,405,000	300,000
Total General Obligation Debt				$ 272,395,000	$ 12,515,000

The 2024 equalized valuation of the District as certified by the Wisconsin Department of Revenue is $9,035,642,720. The legal debt limit and margin of indebtedness as of June 30, 2025, in accordance with §67.03(1)(b) of the Wisconsin statutes follows:

Debt Limit (10% of $9,035,642,720)	$ 903,564,272
Deduct long-term debt applicable to debt margin	272,395,000
Margin of indebtedness	$ 631,169,272

Aggregate cash flow requirements for the retirement of general obligation long-term principal and interest as of June 30, 2025 are as follows:

Year Ended June 30,	Principal	Interest	Total
2026	$ 12,515,000	$ 9,428,208	$ 21,943,208
2027	13,065,000	9,136,656	22,201,656
2028	13,690,000	8,553,532	22,243,532
2029	16,220,000	7,994,576	24,214,576
2030	14,445,000	7,345,776	21,790,776
2031-2035	82,460,000	26,666,971	109,126,971
2036-2040	98,740,000	10,010,376	108,750,376
2041	21,260,000	425,200	21,685,200
Totals	$272,395,000	$ 79,561,295	$ 351,956,295

11. Financed Purchase Arrangements

The District is obligated under certain financed purchase arrangements that meet the criteria to be accounted for as financed purchases. The assets have a stated cost of $162,815 with interest rate of 5.83%. Future minimum payments are as follows:

	Financed Purchase Arrangements		
Year Ended June 30,	Principal	Interest	Total
2026	$ 31,129	$ 6,310	$ 37,438
2027	32,869	4,570	37,439
2028	34,924	2,515	37,439
2029	20,146	374	20,520
	$ 119,068	$ 13,769	$ 132,837

12. Employee Retirement Plan

Plan Description

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

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

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

Vesting

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

12. Employee Retirement Plan (Continued)

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.

Post-Retirement Adjustments

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

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)
2024	3.6	15.0

12. Employee Retirement Plan (Continued)

Contributions

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

During the reporting period, the WRS recognized $5,618,722 in contributions from the employer.

Contribution rates as of June 30, 2025 are:

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.95%	6.95%
Protective with Social Security	6.95%	14.95%
Protective without Social Security	6.95%	18.95%

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

At June 30, 2025, the District reported a liability of $6,300,788 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2023, rolled forward to December 31, 2024. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability (asset) was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2024, the District's proportion was 0.38345432%, which was an increase of 0.00345085% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized pension expense of $8,434,737.

12. Employee Retirement Plan (Continued)

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	$ 19,567,398	$ (18,387,216)
Net differences between projected and actual earnings on pension plan investments	9,574,381	-
Changes in assumptions	1,869,566	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	(94,825)
Employer contributions subsequent to the measurement date	3,551,158	-
Total	$ 34,562,503	$ (18,482,041)

$3,551,158 reported as deferred outflows related to pension resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense (revenue) as follows:

Year Ended June 30:	Net Deferred Outflows (Inflows) of Resources
2026	$ 3,757,330
2027	13,034,357
2028	(3,250,765)
2029	(1,011,618)
Total	$ 12,529,304

12. Employee Retirement Plan (Continued)

Actuarial Assumptions

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

Actuarial Valuation Date:	December 31, 2023
Measurement Date of Net Pension Liability (Asset):	December 31, 2024
	January 1, 2021 - December 31 2023
Experience Study:	Published November 19, 2024
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.7%
Mortality:	2020 WRS Experience Mortality Table
Post-Retirement Adjustments*	1.7%

*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience, and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate. Includes the impact of known Market Recognition Account deferred gains/losses on the liability for dividend payments.

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

12. Employee Retirement Plan (Continued)

Long-term Expected Return on Plan Assets

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

Asset Allocation Targets and Expected Returns[1]
As of December 31, 2024

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %[2]
Public Equity	38	7.0	4.3
Public Fixed Income	27	6.1	3.4
Private Equity/Debt	20	9.5	6.7
Inflation Sensitive Assets	19	4.8	2.1
Real Estate	8	6.5	3.8
Leverage[3]	(12)	3.7	1.1
Total Core Fund	100	7.5	4.8
Variable Fund Asset Class			
U.S. Equities	70	6.5	3.8
International Equities	30	7.4	4.7
Total Variable Fund	100	6.9	4.2

[1]Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations

[2]New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.6%

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

12. Employee Retirement Plan (Continued)

Single Discount Rate

A single discount rate of 6.8% 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 6.8% and a municipal bond rate of 4.08% (Source: "20-Bond GO Index" is the Bond Buyer Index, general obligation, 20 years to maturity, mixed quality as of December 31, 2024. In describing this index, the Bond Buyer notes that the bonds' average quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard and Poor's Corp.'s AA.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the District's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80 percent, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
District's proportionate share of the net pension liability (asset)	$ 59,109,629	$ 6,300,788	$ (31,218,376)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements.

Allocation of Pension Plan

Pension amounts are allocated between the Governmental Activities and Business-Type Activities based on the percentage of required contributions of each opinion unit.

13. Other Post-Employment Benefits (OPEB) Plan

Plan Description
The District operates a single-employer retiree benefit plan that provides post-employment health insurance benefits to eligible employees and their spouses. Benefits and eligibility are determined through bargaining and other District agreements.

Funding Policy
The District funds the policy on a pay-as-you-go basis.

Benefits Provided
Benefits and eligibility are determined through bargaining and other District agreements. Current approved benefits are as follows:

Administration: At least age 55 with a minimum of 7 years of services:

Premium-Only HRA: Eligible retirees will receive a benefit amount based upon a percentage of their final salary (ranging from 50% for 7 years of service up to 100% for those with 12 years of service or more) into a Premium Only Plan HRA. Resulting funds are to be used towards payment of a retiree's full medical and/or dental premium amounts until it's exhausted. Upon exhaustion of funds, retirees may self-pay the full (100%) premium amounts required to continue coverage in the group plans.

Administrative Support: At least age 55 and subject to the "Rule of 70" wherein sum of age and service at retirement is at least 70:

Health & Dental Insurance or Premium-Only HRA: Eligible retirees will receive a credit of $500 per year of service in the District, up to maximum of 25 years, as well as $180 per unused sick day accumulated upon retirement, up to a maximum of 175 days. Resulting HRA funds may either be used to reimburse continued coverage in the District's medical and/or dental plans or an outside plan. Upon exhaustion of funds, retirees may self-pay the full (100%) premium amounts required to continue coverage in the group plans.

Teachers: At least age 55 and subject of the "Rule of 70" wherein sum of age and service at retirement is at least 70 (those hired on or after July 1, 2008 must have a sum of at least 75):

Premium-Only HRA: Eligible retirees will receive a credit of $500 per year of service in the District, as well as $180 per unused sick day accumulated upon retirement up to a maximum of 175 days and $120 per day thereafter (i.e. days over 175), not to exceed $4,800. Resulting funds may either be used to reimburse continued coverage in the District's medical and/or dental plans or placed in a Premium-Only HRA. Upon exhaustion of funds, retirees may self-pay the full (100%) premium amounts required to continue coverage in the group plans.

Support Staff: At least age 55 with a minimum of 15 years of service:

HRA Contribution: Eligible retirees will receive a one-time contribution of $3,600 into an HRA. Resulting funds are to be used towards payment of a retiree's full medical and/or dental premium amounts until their exhaustion. Upon exhaustion of funds, retirees may self-pay the full (100%) premium amounts required to continue coverage in the group plans.

13. Other Post-Employment Benefits (OPEB) Plan (Continued)

Employees covered by Benefit Terms

At the June 30, 2024 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	117
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	1,366
	1,483

Total OPEB Liability

The District's total OPEB liability, reported as of June 30, 2025, of $11,361,164 was measured at June 30, 2024, as was determined by an actuarial valuation as of June 30, 2024.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless other specified:

Inflation	2.50	percent
Salary increases	3.00	percent, average, including inflation
Discount rate	4.21	percent
Healthcare cost trend rates	7.00	percent decreasing to 6.50%, then decreasing by 0.10% per year down to 4.50%, and level thereafter
Retirees' share of benefit-related costs	7.00	percent of projected health insurance premiums for retirees

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

The Discount rate is based upon all years of projected payments discounted at a municipal bond rate of 4.21%.

Mortality assumptions are based upon the 2020 WRS Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010.

13. Other Post-Employment Benefits (OPEB) Plan (Continued)

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 6/30/2023	$ 11,948,133
Changes for the year:	
Service cost	996,298
Interest	497,798
Differences between expected and actual experience	(816,977)
Changes in assumptions or other inputs	(477,965)
Benefit payments	(786,123)
Net Changes	(586,969)
Balance at 6/30/2024	$ 11,361,164

There were no changes of benefit terms.

The discount rate was updated based on the S&P Municipal Bond 20 Year High Grade Index as of the measurement date (4.21%). Additional assumption changes included updates to the health care cost trend, sick leave accrual estimates, and retiree participation assumptions.

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

The following represents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.21 percent) or 1-percentage-point higher (5.21 percent) than the current discount rate:

	1% Decrease 3.21%	Current Discount Rate 4.21%	1% Increase 5.21%
Total OPEB Liability	$ 12,078,478	$ 11,361,164	$ 10,681,896

13. Other Post-Employment Benefits (OPEB) Plan (Continued)

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

The following represents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.0 percent decreasing to 3.5 percent) or 1-percentage-point higher (8.0 percent decreasing to 5.5 percent) than the current healthcare cost trend rates:

	1% Decrease (6.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% decreasing to 4.5%)	1% Increase (8.0% decreasing to 5.5%)
Total OPEB Liability	$ 11,056,686	$ 11,361,164	$ 11,704,112

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

For the year ended June 30, 2025, the District recognized an OPEB expense of $754,727. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Gain / Loss	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	$ 194,212	$ (4,800,948)
Changes of assumptions or other inputs	187,523	(2,412,716)
District contributions subsequent to the measurement date	657,722	-
Total	$ 1,039,457	$ (7,213,664)

$657,722 reported as deferred outflows related to OPEB resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. There are no other amounts reported as deferred outflows of resources or deferred inflows of resources related to OPEB that will be recognized in OPEB expense as follows:

Year Ended June 30:	Net Deferred Outflows (Inflows) of Resources
2026	$ (739,369)
2027	(739,369)
2028	(739,369)
2029	(739,369)
2030	(739,370)
Thereafter	(3,135,083)
Total	$ (6,831,929)

14. Supplemental Pension (Stipend) Benefit

Plan Description and Benefits Provided

The District also provides teachers who, upon attaining age 55 with a combined age and service totaling at least 70 (75 for those hired on and after 7/1/2008), an annual amount of $3,200 per year for three years. This is to be contributed to a non-elective 403 (b) employer contribution plan.

There are 767 active employees and 24 retirees in the plan as of the valuation date of June 30, 2024.

Funding Policy

This is funded on a pay-as-you-go basis. There are no invested plan assets accumulated for payment of future benefits. The general fund is used for funding of all pension/retirement benefits. The employer makes all contributions.

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

For the year ended June 30, 2025, the District recognized a supplemental pension expense of $116,192. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to supplemental pension benefit from the following sources:

Gain / Loss	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	$ 2,830	$ (217,487)
Changes of assumptions or other inputs	36,183	(120,777)
District contributions subsequent to the measurement date	99,200	-
Total	$ 138,213	$ (338,264)

$99,200 reported as deferred outflows related to supplemental pension resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net supplemental pension liability in the year ended June 30, 2026. There are no other amounts reported as deferred outflows of resources or deferred inflows of resources related to supplemental pension that will be recognized in supplemental pension expense as follows:

Year Ended June 30:	Net Deferred Outflows (Inflows) of Resources
2026	$ (26,993)
2027	(26,993)
2028	(26,993)
2029	(26,993)
2030	(26,993)
Thereafter	(164,286)
Total	$ (299,251)

14. Supplemental Pension (Stipend) Benefit (Continued)

Change in the Total Supplemental Pension Liability

Below is a schedule of changes in the total supplemental pension liability for the current reporting period:

	Total Supplemental Pension Benefit Liability
Beginning Balance	$ 1,150,847
Changes for the Year	
Service Costs	95,662
Interest	47,523
Differences Between Expected and Actual Experiences	(56,434)
Changes of Assumptions or Other Inputs	(2,979)
Benefit Payments	(96,000)
Net Changes	(12,228)
Ending Balance	$ 1,138,619

There were no changes of benefit terms.

The discount rate was updated based on the S&P Municipal Bond 20 Year High Grade Index as of the week of the measurement date (4.21%). All other assumptions and methods remained unchanged from the actuarial valuation performed as of June 30, 2022.

Mortality assumptions are based upon the 2020 WRS Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010.

Actuarial Assumptions

The total supplemental pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2024
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal (level percent of salary)
Discount Rate	4.21% (based upon all years of projected payments discounted at a municipal bond rate of 4.21%)
Municipal Bond Rate Source	S&P Municipal Bond 20 Year High Grade Index
Actuarial Assumptions	Based on an experience study conducted in 2021 using Wisconsin Retirement System (WRS) experience from 2018-20.
Mortality Assumptions	2020 WRS Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010

14. Supplemental Pension (Stipend) Benefit (Continued)

Single Discount Rate

A discount rate of 4.21% was used in calculating the District's supplemental pension liabilities (based upon all years of projected payments discounted at a municipal bond rate of 4.21%). It was assumed that the District would continue to fund its retiree benefits out of its general fund assets on a pay-as-you-go basis.

Sensitivity of the District's Total Supplemental Pension Liability to Changes in the Discount Rate

The following presents the District's total supplemental pension liability calculated using the discount rate of 4.21%, as well as what the District's total supplemental pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.21%) or 1-percentage-point higher (5.21%) than the current rate:

	1% Decrease to Discount Rate (3.21%)	Current Discount Rate (4.21%)	1% Increase to Discount Rate (5.21%)
Total Supplemental Pension Liability	$ 1,027,298	$ 1,138,619	$ 1,072,527

15. Fund Balances

The following is a detailed schedule of ending fund balances as reported in the fund financial statements by category:

	General Fund	Debt Service	Capital Improvement Fund	Non-Major Governmental Funds	Total
Fund balances:					
Nonspendable:					
Inventory	$ 39,467	$ -	$ -	$ -	$ 39,467
Prepaids	531,400	-	-	-	531,400
Restricted for:					
Pool Maintenance	521,643	-	-	-	521,643
Performing Arts Center	239,610	-	-	-	239,610
Ashley Field	383,178	-	-	-	383,178
Summit Field	32,665	-	-	-	32,665
Debt Service Retirement	-	13,741,780	-	-	13,741,780
Capital Projects	-	-	-	2,097,944	2,097,944
Capital Improvement Trust	-	-	7,759,304	-	7,759,304
Community Service	-	-	-	565,922	565,922
Self Insurance	1,826,464	-	-	-	1,826,464
Unspent Common School Fund	212,017	-	-	-	212,017
Committed for:					
Donor Specifications	-	-	-	962,272	962,272
Assigned to:					
Property Acquisition	500,000	-	-	-	500,000
Budget Stabilization	6,000,000	-	-	-	6,000,000
Unassigned	23,563,763	-	-	-	23,563,763
Total fund balances	$ 33,850,207	$ 13,741,780	$ 7,759,304	$ 3,626,138	$ 58,977,429

15. Fund Balances (Continued)

The beginning fund balance has been restated in accordance with GASB Statement No. 100 as follows:

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balances			
	Funds			Government-Wide
	Debt Service	Capital Improvement Fund	Nonmajor Governmental	Governmental Activities
Beginning balance, as previously reported	$ 15,412,007	$ -	$ 16,124,260	$ 108,000,599
Change from major to nonmajor fund	-	8,855,879	(8,855,897)	-
Error correction	18,747,120	-	-	1,432,120
Beginning balance, as adjusted or restated	$ 34,159,127	$ 8,855,879	$ 7,268,363	$ 109,432,719

In 2012, the District began making annual deposits into an irreversible sinking fund as part of its 2009 general obligation debt repayment plan. At that time, the District treated the portion of debt expected to be repaid through the sinking fund as defeased and removed that amount from the financial statements. Under generally accepted accounting principles, a debt issue is considered defeased only when (1) the government places enough assets in a single deposit to cover all remaining principal and interest payments, and (2) the government has no further obligation to provide additional resources after that deposit. Because the District was required to continue making annual sinking-fund deposits after the initial contribution, the debt was not fully funded upfront and does not meet the GASB definition of a defeasance. As a result, the related debt should not have been removed from the financial statements. In addition, sinking fund payments were recorded as reductions of debt; however, these deposits should instead be reported as assets of the District until they are used to pay down the debt. The District corrected this error, and a restatement of beginning fund balance was recorded to reflect the proper reporting of the outstanding debt.

16. Self-Funded Insurance Program

On September 1, 2014, the District established a self-funded dental benefit plan for its employees. The Plan administrator, Delta Dental of Wisconsin, is responsible for the approval, processing, and payment of claims, after which they bill the District for reimbursement. The District is also responsible for a monthly administrative fee. The Plan reports on a fiscal year ending June 30.

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 has no stop-loss coverage for dental care coverage of the Plan.

At June 30, 2025, the District has reported a liability of $79,991, which represents reported and unreported claims which were incurred on or before June 30, 2025, but were not paid by the District as of that date. This amount consists of claims reported to the District by the Plan administrator ($43,995), claims reported to the Plan administrator but not the District ($35,996) and claims which were not yet reported to either the Plan administrator or the District ($0). The amounts not reported to the District were determined by the Plan administrator.

16. Self-Funded Insurance Program (Continued)

Changes in the claims liability for the years ended June 30, 2025, 2024, and 2023 are as follows:

	Year Ended June 30, 2025	Year Ended June 30, 2024	Year Ended June 30, 2023
Estimated claims outstanding July 1	$ 78,931	$ 82,589	$ 89,086
Current year claims and changes in estimates	1,420,830	1,313,818	1,333,142
Claim payments	(1,419,770)	(1,317,476)	(1,339,639)
Estimated claims outstanding June 30	$ 79,991	$ 78,931	$ 82,589

17. Limitation on School District Revenues

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

In November 2024, the District approved a referendum authorizing the District budget to exceed the revenue limit by $25,000,000 beginning in the 2024–2025 school year. The additional revenue is recurring and is intended to support staff compensation and benefits, educational programming, and maintain operations.

18. Contingencies

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

The District has identified a personnel matter and has been informed that potential claims may be brought against it. Any related legal proceedings could result in significant legal costs. At this time, legal counsel cannot estimate the likelihood or amount of any potential loss, and no amounts have been accrued in the financial statements as any costs are unknown.

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 terms of the grants. Management believes such disallowances, if any, would be immaterial.

19. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers' compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. There has been no reduction in insurance coverage in the prior year. Settled claims have not exceeded the commercial coverage in any of the past three years.

20. Construction Commitments

As of June 30, 2025, the District's facilities were undergoing remodeling and upgrades. The District has the following contract commitments related to construction projects:

	Total Contract	Expenditures through June 30, 2025	Remaining Commitment
East High School Multi-Purpose Field/Turf	$ 1,108,740	$ 213,750	$ 894,990
Central Heights Middle School Roof	431,000	318,250	112,750
	$ 1,539,740	$ 532,000	$ 1,007,740

21. Subsequent Events

Short-term Borrowing

On September 22, 2025, the District authorized the borrowing in amount not to exceed $14,500,000 for the issuance of Tax and Revenue Anticipation Promissory Notes.

22. Effect of New Accounting Standards on Current Period Financial Statements

The Governmental Accounting Standards Board (GASB) has adopted GASB Statement No. 103, *Financial Reporting Model Improvements*, effective for periods beginning after June 15, 2025, and GASB Statement No. 104, *Disclosure of Certain Capital Assets*, effective for periods beginning after June 15, 2025. When these become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

SUN PRAIRIE AREA SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Local	$ 82,711,555	$ 83,206,458	$ 83,307,841	$ 101,383
Interdistrict	3,475,000	3,485,625	3,711,707	226,082
Intermediate	-	-	7,022	7,022
State	70,667,744	71,005,143	71,301,674	296,531
Federal	2,208,994	3,097,517	3,006,405	(91,112)
Other	544,240	544,240	633,673	89,433
Total Revenues	159,607,533	161,338,983	161,968,322	629,339
EXPENDITURES				
Instruction	63,075,763	63,196,857	60,562,588	2,634,269
Support Service	52,165,363	53,643,270	53,433,053	210,217
Non-program Services	6,003,896	6,003,896	6,086,037	(82,141)
Debt Service:				
Principal Repayment	313,929	313,929	344,723	(30,794)
Interest Expense	661,148	661,148	618,167	42,981
Capital Outlay	1,468,154	1,602,249	1,690,983	(88,734)
Total Expenditures	123,688,253	125,421,349	122,735,551	2,685,798
Excess (Deficiency) of Revenues Over Expenditures	35,919,280	35,917,634	39,232,771	3,315,137
OTHER FINANCING SOURCES (USES)				
Transfers Out	(39,152,116)	(39,152,116)	(39,383,850)	(231,734)
SBITA Proceeds	178,918	178,918	178,918	-
Lease Proceeds	-	-	181,996	181,996
Proceeds from Sales of Capital Assets	-	-	66,732	66,732
Total Other Financing Sources (Uses)	(38,973,198)	(38,973,198)	(38,956,204)	16,994
Net Change in Fund Balance	(3,053,918)	(3,055,564)	276,567	3,332,131
Fund Balance - Beginning of year	33,573,640	33,573,640	33,573,640	-
Fund Balance - End of year	$ 30,519,722	$ 30,518,076	$ 33,850,207	$ 3,332,131

See accompanying notes to the required supplementary information

SUN PRAIRIE AREA SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL EDUCATION
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interdistrict	$ -	$ -	$ 46,932	$ 46,932
State	7,075,000	7,075,000	6,387,630	(687,370)
Federal	1,483,947	2,456,615	2,060,552	(396,063)
Total Revenues	8,558,947	9,531,615	8,495,114	(1,036,501)
EXPENDITURES				
Instruction	18,267,387	18,629,583	17,887,524	742,059
Support Service	7,051,388	7,358,364	7,266,783	91,581
Non-program Services	340,200	643,696	665,458	(21,762)
Total Expenditures	25,658,975	26,631,643	25,819,765	811,878
Excess (Deficiency) of Revenues Over Expenditures	(17,100,028)	(17,100,028)	(17,324,651)	(224,623)
OTHER FINANCING SOURCES (USES)				
Transfers In	17,100,028	17,100,028	17,324,651	224,623
Total Other Financing Sources (Uses)	17,100,028	17,100,028	17,324,651	224,623
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning of year	-	-	-	-
Fund Balance - End of year	$ -	$ -	$ -	$ -

See accompanying notes to the required supplementary information

SUN PRAIRIE AREA SCHOOL DISTRICT
EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES
For the Year Ended June 30, 2025

A) Sources/Inflows of Resources:	General Fund	Special Education Fund
Actual amounts "total revenues" from the budgetary comparison schedules	$ 161,968,322	$ 8,495,114
Reclassification: Special education fund revenues are reclassified to the general fund, required for GAAP reporting	8,495,114	(8,495,114)
The general fund revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - governmental funds	$ 170,463,436	$ -

B) Uses/Outflows of Resources:	General Fund	Special Education Fund
Actual amounts "total expenditures" from the budgetary comparison schedules	$ 122,735,551	$ 25,819,765
Reclassification: Special education fund expenditures are reclassified to the general fund, required for GAAP reporting	25,819,765	(25,819,765)
The general fund expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - governmental funds	$ 148,555,316	$ -

See accompanying notes to the required supplementary information

SUN PRAIRIE AREA SCHOOL DISTRICT
WISCONSIN RETIREMENT SYSTEM SCHEDULES
For the Year Ended June 30, 2025

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
AS OF THE MEASUREMENT DATE
Last 10 Calendar Years*

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered-employee payroll	Collective net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2024	0.38345432%	$ 6,300,788	$ 81,406,393	7.74%	98.79%
2023	0.38000347%	5,649,914	75,526,924	7.48%	98.85%
2022	0.37280335%	19,750,017	68,467,574	28.85%	95.72%
2021	(0.36989597%)	(29,814,295)	64,291,914	(46.37%)	106.02%
2020	(0.36528395%)	(22,805,183)	61,415,396	(37.13%)	105.26%
2019	(0.35702734%)	(11,512,191)	59,095,195	(19.48%)	102.96%
2018	0.35391283%	12,591,109	55,130,178	22.84%	96.45%
2017	(0.35255134%)	(10,467,667)	50,900,700	(20.56%)	(102.93%)
2016	0.35149899%	2,897,191	52,117,594	5.56%	99.12%
2015	0.34092145%	5,539,907	50,401,282	10.99%	98.20%

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

SCHEDULE OF DISTRICT'S CONTRIBUTIONS
FOR THE YEAR ENDED
Last 10 Fiscal Years**

Year ended June 30,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered-employee payroll
2025	$ 5,977,799	$ (5,977,799)	$ -	$ 86,264,516	6.93%
2024	5,355,683	(5,355,683)	-	78,080,078	6.86%
2023	4,793,175	(4,793,175)	-	71,724,939	6.68%
2022	4,366,484	(4,366,484)	-	66,186,022	6.60%
2021	4,225,712	(4,225,712)	-	62,603,048	6.75%
2020	4,098,259	(4,098,259)	-	61,427,425	6.67%
2019	3,801,408	(3,801,408)	-	57,449,753	6.62%
2018	3,609,504	(3,609,504)	-	53,562,779	6.74%
2017	3,532,354	(3,532,354)	-	52,751,175	6.70%
2016	3,427,533	(3,427,533)	-	50,401,282	6.80%

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

See accompanying notes to the required supplementary information

SUN PRAIRIE AREA SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS
For the Year Ended June 30, 2025

Last 10 Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB Liability									
Beginning Balance	$11,948,133	$11,486,862	$16,493,496	$15,718,114	$14,364,865	$ 13,310,619	$ 14,659,821	$ 14,393,230	$ 13,417,245
Changes for the Year									
Service costs	996,298	974,819	1,389,675	1,359,095	1,073,443	999,835	1,177,647	1,268,368	1,268,368
Interest	497,798	463,640	377,733	358,349	510,296	505,002	520,148	436,894	410,992
Difference between expected and actual experience	(816,977)	(107,675)	(4,552,955)	-	315,597	-	(982,436)	-	-
Changes in assumptions or other inputs	(477,965)	(102,946)	(1,420,654)	-	97,309	237,043	(1,290,034)	(510,108)	-
Benefit Payments	(786,123)	(766,567)	(800,433)	(942,062)	(643,396)	(687,634)	(774,527)	(928,563)	(703,375)
Net change in total OPEB	(586,969)	461,271	(5,006,634)	775,382	1,353,249	1,054,246	(1,349,202)	266,591	975,985
Total OPEB Liability-Ending	$11,361,164	$11,948,133	$11,486,862	$16,493,496	$15,718,114	$ 14,364,865	$ 13,310,619	$ 14,659,821	$ 14,393,230
Covered Employee Payroll	$83,515,798	$64,603,792	$64,603,792	$60,164,734	$60,164,734	$ 53,299,349	$ 53,299,349	$ 48,293,508	$ 48,293,508
Total OPEB Liability as a percentage of covered-employee payroll	13.60%	18.49%	17.78%	27.41%	26.13%	26.95%	24.97%	30.36%	29.80%

* Data presented as of the measurement date.

See accompanying notes to the required supplementary information

SUN PRAIRIE AREA SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL SUPPLEMENTAL PENSION LIABILITY AND RELATED RATIOS
For the Year Ended June 30, 2025

Last 10 Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Supplemental Pension Liability									
Beginning Balance	$ 1,150,847	$ 1,127,219	$ 1,317,210	$ 1,293,247	$ 1,243,344	$ 1,196,049	$ 1,262,259	$ 1,264,066	$ 1,206,210
Changes for the Year									
Service Costs	95,662	93,513	115,872	113,322	104,200	97,316	94,591	101,349	101,349
Interest	47,523	44,783	29,969	29,041	43,257	44,577	43,818	37,858	36,507
Differences Between Expected and Actual Experiences	(56,434)	3,266	(142,010)	-	(17,123)	-	(75,118)	-	-
Changes of Assumptions or Other Inputs	(2,979)	(9,134)	(107,422)	-	38,611	17,402	(14,301)	(35,414)	-
Benefit Payments	(96,000)	(108,800)	(86,400)	(118,400)	(119,042)	(112,000)	(115,200)	(105,600)	(80,000)
Net Changes	(12,228)	23,628	(189,991)	23,963	49,903	47,295	(66,210)	(1,807)	57,856
Ending Balance	$ 1,138,619	$ 1,150,847	$ 1,127,219	$ 1,317,210	$ 1,293,247	$ 1,243,344	$ 1,196,049	$ 1,262,259	$ 1,264,066
Covered Employee Payroll	$ 52,118,716	$ 43,557,400	$ 43,557,400	$ 40,661,125	$ 40,661,125	$ 35,837,498	$ 35,837,498	$ 32,872,999	$ 32,872,999
Total Supplemental Pension Liability as a percentage of Covered Employee Payroll	2.18%	2.64%	2.59%	3.24%	3.18%	3.47%	3.34%	3.84%	3.85%

* Data presented as of the measurement date

See accompanying notes to the required supplementary information

1. Budget Schedule

Budgets are adopted each fiscal year for all funds in accordance with Section 65.9 of the Wisconsin Statutes, using the budgetary accounting basis prescribed by the Wisconsin Department of Public Instruction, which is in accordance with generally accepted accounting principles. The legally adopted budget and budgetary expenditure control is exercised at the fund level for all funds. Reported budget amounts are as originally adopted or as amended by School Board resolution.

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

- 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.
- 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.

2. Expenditures in Excess of Appropriations

The following individual funds had functions that had an excess of actual expenditures over budget for the year ended June 30, 2025:

Fund	Function	Amount
General	Non-program Services	$ 82,141
General	Principal Repayment	30,794
General	Capital Outlay	88,734
Special Education	Non-program Services	21,762

In each of the funds, the District had sufficient revenues, fund balance, other financing sources and/or expenditures less than the budget in other functions to support the amounts listed above.

3. District Total OPEB Liability Schedules

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the preceding year.

Changes of benefit terms. There were no changes of benefit terms.

Changes of assumptions. The following changes in assumptions were made for the actuary study performed for year ended June 30, 2024:

- The discount rate was changed from 4.13% to 4.21%

Assets. There are no assets accumulated in a trust that meet the criteria in Governmental Accounting Standards to pay related benefits.

4. Supplemental Pension (Stipend) Benefit

Governmental Accounting Standards Board Statement No. 73 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the preceding year.

Changes of benefit terms. There were no changes of benefit terms.

Changes of assumptions. The following changes in assumptions were made for the actuary study performed for the year ended June 30, 2024:

- The discount rate was changed from 4.13% to 4.21%

Assets. There are no assets accumulated in a trust that meet the criteria in Governmental Accounting Standards to pay related benefits.

5. Wisconsin Retirement System

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

Changes of assumptions:

Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the 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.

5. Wisconsin Retirement System (Continued)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:

	2024	2023	2022	2021	2020
Valuation Date:	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.4%	5.4%	5.4%	5.4%	5.4%
Weighted based on assumed rate for:					
Pre-retirement:	6.8%	6.8%	7.0%	7.0%	7.0%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.0%	3.0%	3.0%	3.0%	3.0%
Seniority/Merit:	0.1%-5.7%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	1.7%	1.7%	1.9%	1.9%	1.9%
Retirement Age:	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2021 valuation pursuant to an experience study of the period 2018-2020.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2021 valuation pursuant to an experience study of the period 2018-2020.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015 - 2017.
Mortality:	2020 WRS Experience Tables. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2021 fully generational improvement scale from a base year of 2010.	2020 WRS Experience Tables. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2021 fully generational improvement scale from a base year of 2010.	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).

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

5. Wisconsin Retirement System (Continued)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:

	2019	2018	2017	2016	2015
Valuation Date:	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.5%	5.5%	5.5%	5.5%	5.5%
rate for:					
Pre-retirement:	7.2%	7.2%	7.2%	7.2%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.2%	3.2%	3.2%	3.2%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	2.1%	2.1%	2.1%	2.1%	2.1%
Retirement Age:	Experience -based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.
Mortality:	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality

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

OTHER SUPPLEMENTAL INFORMATION

SUN PRAIRIE AREA SCHOOL DISTRICT
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
June 30, 2025

	Special Revenue Funds			Capital Projects Funds	
	Special Revenue Trust Fund	Community Service	Package Cooperative	Capital Projects	Total Non-Major Governmental Funds
ASSETS					
Cash and Investments	$ 333,333	$ -	$ -	$ -	$ 333,333
Restricted Cash and Investments	-	-	-	1,927,026	1,927,026
Due from Other Funds	691,402	592,498	700	176,255	1,460,855
Due from Other Governments	-	-	8,575	-	8,575
Total Assets	$ 1,024,735	$ 592,498	$ 9,275	$ 2,103,281	$ 3,729,789
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$ 45,457	$ 20,444	$ -	$ 5,337	$ 71,238
Due to Other Funds	17,006	6,132	9,275	-	32,413
Total Liabilities	62,463	26,576	9,275	5,337	103,651
Fund Balances:					
Restricted	-	565,922	-	2,097,944	2,663,866
Committed	962,272	-	-	-	962,272
Total Fund Balances	962,272	565,922	-	2,097,944	3,626,138
Total Liabilities and Fund Balances	$ 1,024,735	$ 592,498	$ 9,275	$ 2,103,281	$ 3,729,789

SUN PRAIRIE AREA SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	Special Revenue Funds			Capital Projects Funds		
	Special Revenue Trust Fund	Community Service	Package Cooperative	Capital Projects	Formerly Non-Major Fund Capital Improvement Fund	Total Non-Major Governmental Funds
REVENUES						
Local	$ 868,020	$ 1,003,589	$ 5,006	$ 109,039	$ -	$ 1,985,654
Interdistrict	-	-	39,445	-	-	39,445
State	-	130,000	-	-	-	130,000
Other	6,571	-	-	-	-	6,571
Total Revenues	874,591	1,133,589	44,451	109,039	-	2,161,670
EXPENDITURES						
Instruction	397,013	-	14,222	32,220	-	443,455
Support Service	361,680	1,218,736	49,094	148,695	-	1,778,205
Non-program Services	51,295	-	-	-	-	51,295
Capital Outlay	24,272	-	-	3,525,533	-	3,549,805
Total Expenditures	834,260	1,218,736	63,316	3,706,448	-	5,822,760
Excess (Deficiency) of Revenues Over Expenditures	40,331	(85,147)	(18,865)	(3,597,409)	-	(3,661,090)
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	18,865	-	-	18,865
Total Other Financing Sources and Uses	-	-	18,865	-	-	18,865
Net Change in Fund Balances	40,331	(85,147)	-	(3,597,409)	-	(3,642,225)
Fund Balances - Beginning, as previously reported	921,941	651,069	-	5,695,353	8,855,897	16,124,260
Change within financial reporting entity (non-major to major fund)	-	-	-	-	(8,855,897)	(8,855,897)
Fund Balances - Beginning, as adjusted or restated	921,941	651,069	-	5,695,353	-	7,268,363
Fund Balances - Ending	$ 962,272	$ 565,922	$ -	$ 2,097,944	$ -	$ 3,626,138