

**MOSINEE SCHOOL DISTRICT
MOSINEE, WISCONSIN**

**FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT**

JUNE 30, 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Mosinee School District
Mosinee, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Mosinee School District, Wisconsin, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Mosinee School 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, each major fund, and the aggregate remaining fund information of the Mosinee School District, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Mosinee School 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 Mosinee School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, and the schedule of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2024 on our consideration of the Mosinee School 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 Mosinee School District's internal control over financial reporting and compliance.

HAWKINS ASH CPAS, LLP

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

Manitowoc, Wisconsin
December 5, 2024

**MOSINEE SCHOOL DISTRICT
MOSINEE, WISCONSIN**

MANAGEMENT'S DISCUSSION AND ANALYSIS



Mission Statement: The Mission of the Mosinee School District is to improve student progress academically and socially, preparing them to be productive members of a multicultural society; promote partnerships with the community to create multiple opportunities for learning; and foster life-long learners who are self-motivated with the adaptability for future change.

Management's Discussion and Analysis

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

FINANCIAL HIGHLIGHTS

Total governmental activities revenue was \$32,592,993; including \$9,521,648 of property taxes, \$16,915,947 of general state and federal aid. Total governmental activities expenditures were \$31,950,587; including \$15,347,119 for direct instruction.

The District's financial status, as reflected in total net position, increased by \$642,406.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

Major Features of the District-wide and Fund Financial Statements

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

DISTRICT-WIDE STATEMENTS

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

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

FUND FINANCIAL STATEMENTS

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

The District has two kinds of funds:

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Table 1, below, provides a summary of the District's net position for the year ended June 30, 2024 compared to 2023. The District's combined net position increased by \$642,406. Specific causes of the increase are discussed later in this document.

Table 1 Condensed Statement of Net Position (in thousands of dollars)			
	Governmental Activities		Total % Change
	2024	2023	2023 - 2024
Current and other assets	\$ 15,165	\$ 14,788	2.5%
Capital assets	28,520	29,361	-2.9%
Total assets	<u>43,684</u>	<u>44,149</u>	-1.1%
Deferred outflows of resources	<u>10,031</u>	<u>15,576</u>	-35.6%
Long-term liabilities			
outstanding	16,703	21,153	-21.0%
Other liabilities	2,001	1,529	30.9%
Total liabilities	<u>18,704</u>	<u>22,682</u>	-17.5%
Deferred inflows of resources	<u>9,425</u>	<u>12,099</u>	-22.1%
Net position:			
Net investment in capital assets	13,216	12,572	5.1%
Restricted	5,457	5,063	7.8%
Unrestricted	6,914	7,308	-5.4%
Total net position	<u>\$ 25,586</u>	<u>\$ 24,944</u>	2.6%
Note: Totals may not add due to rounding.			

Table 2 Changes in Net Position (in thousands of dollars)			
	Governmental Activities		Total % Change
	2024	2023	2023 - 2024
Revenues			
Program revenues			
Charges for services	\$ 574	\$ 476	20.6%
Operating grants and contributions	2,533	2,868	-11.7%
General revenues			
Property taxes	9,522	8,984	6.0%
State and federal aid	16,916	16,856	0.4%
Other	3,049	2,788	9.4%
Total revenues	<u>32,593</u>	<u>31,972</u>	1.9%
Expenses			
Instruction	15,347	15,960	-3.8%
Pupil and instructional services	3,031	2,900	4.5%
Administration and business	8,994	13,016	-30.9%
Interest on debt	483	538	-10.2%
Other	4,096	3,365	21.7%
Total expenses	<u>31,951</u>	<u>35,778</u>	-10.7%
Increase (decrease) in net position	<u>\$ 642</u>	<u>\$ (3,806)</u>	-116.9%
Note: Totals may not add due to rounding.			

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

The District relies primarily on state and federal aids (52%) and property taxes (29%) to fund governmental activities. These two funding sources make up 81% of the total revenues.

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

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

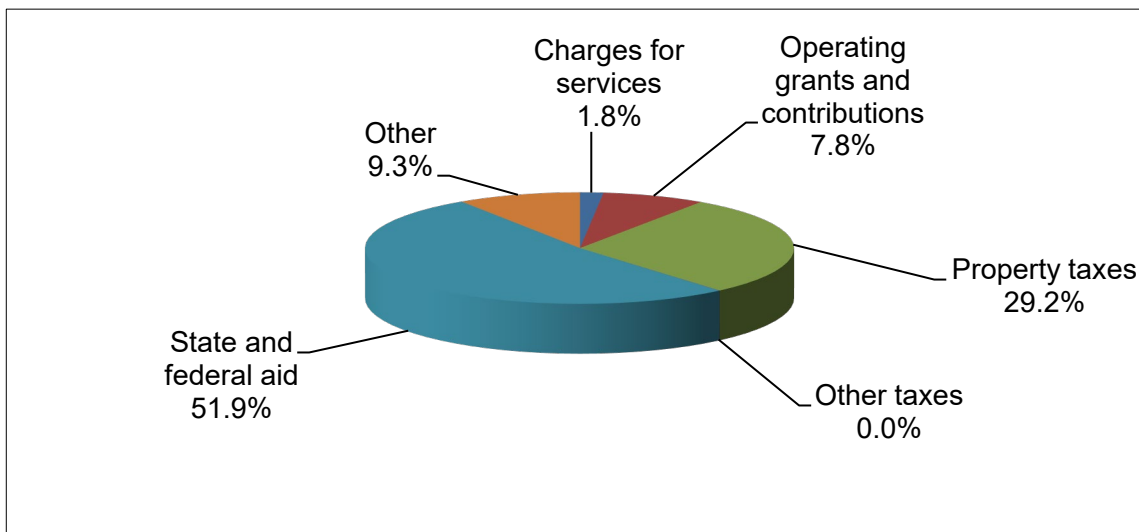
	Net Cost of Services		Total % Change
	2024	2023	2023 - 2024
Instruction	\$ 13,443	\$ 13,742	-2.2%
Pupil and instructional services	2,895	2,795	3.6%
Administration and business	7,970	12,023	-33.7%
Interest on debt	483	538	-10.2%
Other	4,053	3,337	21.5%
Total	<u>\$ 28,844</u>	<u>\$ 32,435</u>	-11.1%

Note: Totals may not add due to rounding.

The cost of all governmental activities this year was \$31,950,587. Individuals who directly participated or benefited from a program offering paid for \$573,603 of the costs. Federal and state governments subsidized certain programs with grants and contributions of \$2,532,877. The net cost of governmental activities, \$28,844,107, was financed by general revenues of the District.

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

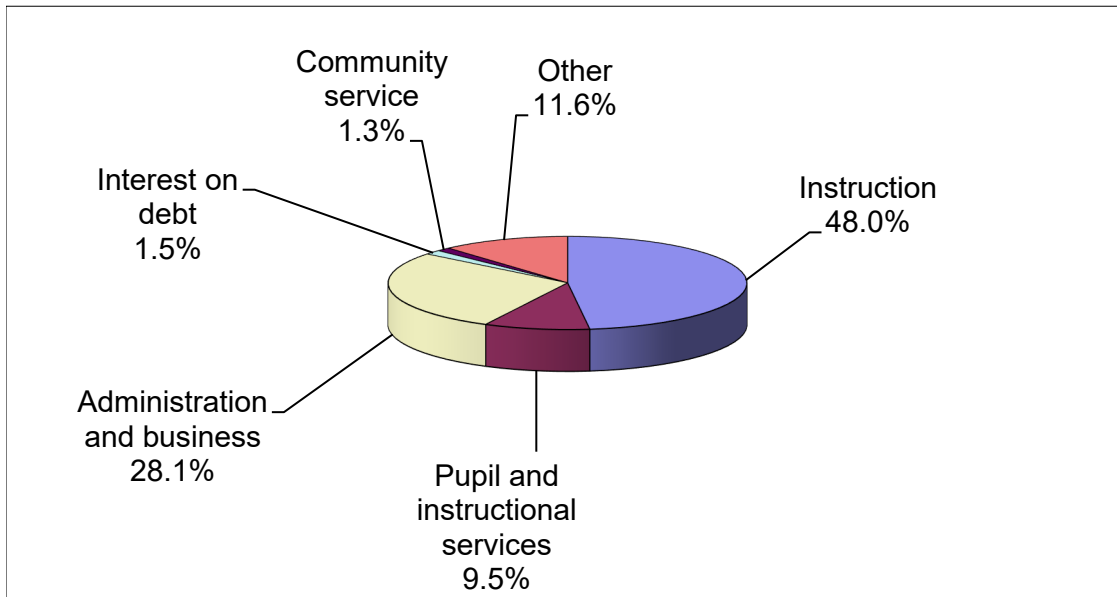
Governmental Activities Revenue by Type
Chart 1



Note: Totals may not add to 100% due to rounding.

Governmental Activities Expenditure by Type

Chart 2



Note: Totals may not add to 100% due to rounding.

The District completed the year with a total governmental fund balance of \$11,214,095 down from last year's ending fund balance of \$11,599,436.

The general fund had a decrease in fund balance of \$662,079.

The referendum approved debt service fund had an increase in fund balance of \$74,909.

The other governmental funds had an increase in fund balance of \$201,829.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

While the District's final budget for the general fund anticipated that expenses would exceed revenues by \$360,522 the actual results for the year show expenses exceeded revenues by \$662,079.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2024, the District had invested \$56,529,642 in capital assets, including land, land improvements, buildings, equipment, and construction in progress (See Table 4). Total accumulated depreciation on these assets is \$28,009,877. Asset acquisitions for governmental activities totaled \$1,326,590. The District recognized depreciation expense of \$1,466,754 for governmental activities. Detailed information about capital assets can be found in the notes to the financial statements.

Table 4			
Capital Assets			
<i>(net of depreciation, in thousands of dollars)</i>			
	<u>Governmental Activities</u>		<u>Total % Change</u>
	<u>2024</u>	<u>2023</u>	<u>2023 - 2024</u>
Land	\$ 382	\$ 382	0.0%
Land improvements	1,700	1,611	5.5%
Buildings	51,168	50,467	1.4%
Equipment	3,279	3,186	2.9%
Construction in progress	-	259	-100.0%
Accumulated depreciation	<u>(28,010)</u>	<u>(26,543)</u>	5.5%
Total	<u>\$ 28,520</u>	<u>\$ 29,361</u>	-2.9%

Note: Totals may not add due to rounding.

Long-Term Obligations

At year-end, the District had \$16,703,054 in bonds and other long-term debt outstanding - a decrease of 21% from last year (see Table 5). Detailed information about the District's long-term obligations are presented in the notes to the financial statements.

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

	Total		Total % Change
	2024	2023	2023 - 2024
General obligation debt	\$ 14,669	\$ 16,088	-8.8%
Other	2,034	5,064	-59.8%
Total	<u>\$ 16,703</u>	<u>\$ 21,153</u>	-21.0%

Note: Totals may not add due to rounding.

The District retired \$1,418,961 of bonds and notes payable during the year. Other transactions decreased total debt by \$3,030,654.

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

FACTORS BEARING ON THE DISTRICT'S FUTURE

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

The State of Wisconsin has an open enrollment law that allows students to attend school districts of their choice with few restrictions. The state adjusts each district's general aid payment based on the number of students who transfer. This year 198 non-resident open enrollment students attended the Mosinee School District with 189 Mosinee School District students attending other schools through tuition and the open enrollment program. The number of incoming students exceeded outgoing students by 9. It is important for the District to maintain the quality of instruction and physical property to remain competitive in the open enrollment environment.

Enrollment decreased for the 2023 - 2024 school year by 57 students.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Rodney Huther, Business Manager, 146001 W Hwy 153, Mosinee, WI 54455.

**MOSINEE SCHOOL DISTRICT
MOSINEE, WISCONSIN**

**BASIC
FINANCIAL STATEMENTS**

**MOSINEE SCHOOL DISTRICT
MOSINEE, WISCONSIN**

**DISTRICT-WIDE
FINANCIAL STATEMENTS**

MOSINEE SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and investments	\$ 10,062,351
Receivables	
Accounts	32,481
Taxes	2,529,156
Due from other governments	345,789
Receivable from external parties	54,943
Inventories	22,940
Prepays	49,180
OPEB supplemental pension	1,593,553
OPEB healthcare	474,122
Capital assets (net of accumulated depreciation)	
Capital assets not being depreciated	381,661
Capital assets being depreciated	28,138,104
TOTAL ASSETS	43,684,280
DEFERRED OUTFLOWS OF RESOURCES	
Wisconsin Retirement System pension	9,519,900
OPEB supplemental pension	395,294
OPEB healthcare	115,318
TOTAL DEFERRED OUTFLOWS OF RESOURCES	10,030,512
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	53,714,792
LIABILITIES	
Accounts payable	240,098
Self insurance claims payable	29,139
Accrued liabilities	
Payroll, payroll taxes, insurance	1,472,494
Interest	126,132
Due to other governments	196
Deposits payable	59,129
Unearned revenue	73,570
Current portion of long-term obligations	1,820,164
Noncurrent portion of long-term obligations	14,882,890
TOTAL LIABILITIES	18,703,812
DEFERRED INFLOWS OF RESOURCES	
Wisconsin Retirement System pension	6,033,165
OPEB supplemental pension	742,611
OPEB healthcare	2,649,004
TOTAL DEFERRED INFLOWS OF RESOURCES	9,424,780
NET POSITION	
Net investment in capital assets	13,215,700
Restricted for	
Special revenue	1,000,324
Debt service	2,154,424
Capital projects	179
Other activities	2,301,898
Unrestricted	6,913,675
TOTAL NET POSITION	25,586,200
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 53,714,792

The accompanying notes are an integral part of these statements.

MOSINEE SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2024

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUE		NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
GOVERNMENTAL ACTIVITES				
Instruction				
Regular instruction	\$ 9,083,102	\$ -	\$ -	\$ (9,083,102)
Vocational instruction	730,235	-	-	(730,235)
Special instruction	3,937,670	16,728	1,826,070	(2,094,872)
Other instruction	1,596,112	61,253	-	(1,534,859)
Total instruction	15,347,119	77,981	1,826,070	(13,443,068)
Support services				
Pupil services	1,457,043	-	-	(1,457,043)
Instructional staff services	1,574,183	-	136,327	(1,437,856)
General administration services	850,683	-	-	(850,683)
Building administration services	1,445,084	-	-	(1,445,084)
Business services	6,697,862	452,794	570,480	(5,674,588)
Central services	66,044	-	-	(66,044)
Insurance	122,902	-	-	(122,902)
Interest and other	482,568	-	-	(482,568)
Other support services	642,400	-	-	(642,400)
Community services	401,043	42,828	-	(358,215)
Total support services	13,739,812	495,622	706,807	(12,537,383)
Non-program transactions	2,863,656	-	-	(2,863,656)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 31,950,587	\$ 573,603	\$ 2,532,877	(28,844,107)
General revenues				
Taxes				
Property taxes				9,521,648
Other taxes				13,694
State and federal aids not restricted to specific functions				16,915,947
Interest and investment earnings				253,994
Miscellaneous				2,781,230
Total general revenues				29,486,513
CHANGE IN NET POSITION				642,406
NET POSITION - BEGINNING OF YEAR				24,943,794
NET POSITION - END OF YEAR				\$ 25,586,200

The accompanying notes are an integral part of these statements.

**MOSINEE SCHOOL DISTRICT
MOSINEE, WISCONSIN**

**FUND
FINANCIAL STATEMENTS**

MOSINEE SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	GENERAL FUND	DEBT SERVICE FUND REFERENDUM APPROVED	TOTAL NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and investments	\$ 6,188,414	\$ 1,548,640	\$ 2,325,297	\$ 10,062,351
Receivables				
Accounts	16,728	-	15,753	32,481
Taxes	2,529,156	-	-	2,529,156
Due from other funds	54,943	-	-	54,943
Due from other governments	304,595	-	41,194	345,789
Inventories	-	-	22,940	22,940
Prepays	49,180	-	-	49,180
TOTAL ASSETS	9,143,016	1,548,640	2,405,184	13,096,840
LIABILITIES				
Accounts payable	150,458	-	89,640	240,098
Self insurance claims payable	29,139	-	-	29,139
Accrued payroll liabilities	1,469,134	-	3,360	1,472,494
Due to other governments	196	-	-	196
Deposits payable	58,884	-	245	59,129
Unearned revenue	8,119	-	73,570	81,689
TOTAL LIABILITIES	1,715,930	-	166,815	1,882,745
FUND BALANCES				
Nonspendable	49,180	-	22,940	72,120
Restricted	234,223	1,548,640	1,606,287	3,389,150
Assigned	-	-	609,142	609,142
Unassigned	7,143,683	-	-	7,143,683
TOTAL FUND BALANCES	7,427,086	1,548,640	2,238,369	11,214,095
TOTAL LIABILITIES AND FUND BALANCES	\$ 9,143,016	\$ 1,548,640	\$ 2,405,184	

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

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

Governmental capital assets	\$ 56,529,642	
Governmental accumulated depreciation	(28,009,877)	28,519,765

Wisconsin Retirement System asset, deferred inflows of resources, and deferred outflows of resources are not current financial resources and are not reported in fund statements:	3,486,735
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Other post employment benefits deferred outflows of resources and deferred inflows of resources are not current financial resources and are not reported in fund statements:	(813,328)
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Some revenues are unearned in the funds because they are not available to pay current period's	8,119
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Long-term liabilities are not due in the current period and therefore are not reported in the fund statements. Long-term liabilities reported in the statement of net position that are not reported in

General obligation debt	\$ (15,304,065)	
Accrued interest	(126,132)	
WRS liability	(1,128,998)	
Vested employee benefits	(269,991)	(16,829,186)

Total net position - governmental activities	\$ 25,586,200
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MOSINEE SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	<u>DEBT SERVICE FUND</u>		<u>CAPITAL PROJECT FUND</u>	TOTAL	TOTAL
	GENERAL	REFERENDUM	LONG-TERM CAPITAL	NONMAJOR	GOVERNMENTAL
	FUND	APPROVED	IMPROVEMENT	GOVERNMENTAL	GOVERNMENTAL
			TRUST	FUNDS	FUNDS
REVENUES					
Property taxes	\$ 6,927,490	\$ 718,262	\$ -	\$ 1,889,590	\$ 9,535,342
Other local sources	530,681	68,222	-	1,024,403	1,623,306
Interdistrict sources	1,800,521	-	-	-	1,800,521
Intermediate sources	57,022	-	-	-	57,022
State sources	17,902,484	-	-	11,476	17,913,960
Federal sources	1,008,031	-	-	465,139	1,473,170
Other sources	99,750	1,600	-	82,052	183,402
TOTAL REVENUES	28,325,979	788,084	-	3,472,660	32,586,723
EXPENDITURES					
Current					
Instruction					
Regular instruction	9,130,365	-	-	27,304	9,157,669
Vocational instruction	704,643	-	-	-	704,643
Special instruction	3,962,377	-	-	-	3,962,377
Other instruction	1,262,700	-	-	309,445	1,572,145
Total instruction	15,060,085	-	-	336,749	15,396,834
Support services					
Pupil services	1,430,183	-	-	3,320	1,433,503
Instructional staff services	1,518,647	-	-	-	1,518,647
General administration services	774,976	-	-	-	774,976
Building administration services	1,267,880	-	-	35,626	1,303,506
Business services	4,928,482	-	-	1,288,012	6,216,494
Central services	65,885	-	-	-	65,885
Insurance	192,885	-	-	-	192,885
Other support services	862,926	-	-	25,664	888,590
Community services	-	-	-	241,265	241,265
Total support services	11,041,864	-	-	1,593,887	12,635,751
Non-program transactions	2,104,300	-	-	57,823	2,162,123
Debt service					
Principal	-	660,000	-	758,961	1,418,961
Interest	-	53,175	-	508,340	561,515
Total debt service	-	713,175	-	1,267,301	1,980,476
Capital outlay	309,809	-	-	487,071	796,880
TOTAL EXPENDITURES	28,516,058	713,175	-	3,742,831	32,972,064
EXCESS (DEFICIENCY) OF REVENUES					
OVER EXPENDITURES	(190,079)	74,909	-	(270,171)	(385,341)
OTHER FINANCING (USES) SOURCES					
Net transfer (to) from other funds	(472,000)	-	-	472,000	-
NET CHANGE IN FUND BALANCE	(662,079)	74,909	-	201,829	(385,341)
FUND BALANCE - BEGINNING OF YEAR,					
AS PREVIOUSLY REPORTED	8,089,165	1,473,731	179	2,036,361	11,599,436
CHANGE WITHIN THE FINANCIAL REPORTING ENTITY	-	-	(179)	179	-
FUND BALANCE - BEGINNING OF YEAR,					
AS RESTATED	8,089,165	1,473,731	-	2,036,540	11,599,436
FUND BALANCE - END OF YEAR	\$ 7,427,086	\$ 1,548,640	\$ -	\$ 2,238,369	\$ 11,214,095

The accompanying notes are an integral part of these statements.

MOSINEE SCHOOL DISTRICT**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

Net change in fund balances - total governmental funds \$ (385,341)

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

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

Capital outlay reported in fund statements	\$ 796,880	
Less noncapitalized outlay	(171,823)	
Depreciation expense reported in the statement of activities	<u>(1,466,754)</u>	
Amount by which capital outlays are less than depreciation in the current period:		(841,697)

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

This year the accrual of these benefits increased by:	(69,083)
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Wisconsin Retirement System asset, deferred inflows of resources, liability, and deferred outflows of resources changes:	180,966
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OPEB supplemental pension asset, deferred inflows of resources, liability, and deferred outflows of resources changes:	9,742
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OPEB healthcare asset, deferred inflows of resources, liability, and deferred outflows of resources changes:	243,641
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Certain revenues are unearned in the governmental funds because they are not available to pay current period expenditures. In the statement of activities these are recorded as revenue in the current year.

Unearned revenue recognized in the statement of activities:	4,672
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Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities.

Amount of long-term debt principal payments in the current year is:	1,418,961
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In governmental funds interest payments and other debt costs on outstanding debt are reported as an expenditure when paid. In the statement of activities it is reported as it accrues.

Amount of interest and other debt costs paid during the current period is	\$ 563,113	
Amount of interest and other debt costs accrued during the current period is	<u>(482,568)</u>	
Interest paid is greater than interest accrued by:		<u>80,545</u>

Change in net position - governmental activities	\$ <u>642,406</u>
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The accompanying notes are an integral part of these statements.

MOSINEE SCHOOL DISTRICT
STATEMENT OF NET POSITION
FIDUCIARY FUND
JUNE 30, 2024

	PENSION (OTHER EMPLOYEE BENEFIT) TRUST FUND <u>EMPLOYEE BENEFIT</u>
ASSETS	
Cash and investments	\$ 5,007,247
TOTAL ASSETS	<u>5,007,247</u>
LIABILITIES	
Accounts payable	57
Due to other funds	54,943
Unearned revenue	<u>182</u>
TOTAL LIABILITIES	<u>55,182</u>
NET POSITION	
Restricted for	
Pension benefits	2,943,084
Postemployment benefits other than pensions	<u>2,008,981</u>
TOTAL NET POSITION	<u>4,952,065</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 5,007,247</u>

The accompanying notes are an integral part of these statements.

MOSINEE SCHOOL DISTRICT
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUND
YEAR ENDED JUNE 30, 2024

	PENSION (OTHER EMPLOYEE BENEFIT) TRUST FUND <u>EMPLOYEE BENEFIT</u>
ADDITIONS	
Investment income	\$ 540,900
Contributions	<u>29,402</u>
TOTAL ADDITIONS	<u>570,302</u>
 DEDUCTIONS	
Disbursements	277,220
Investment cost	<u>231,507</u>
TOTAL DEDUCTIONS	<u>508,727</u>
 CHANGE IN NET POSITION	 61,575
NET POSITION - BEGINNING OF YEAR	<u>4,890,490</u>
NET POSITION - END OF YEAR	<u>\$ 4,952,065</u>

The accompanying notes are an integral part of these statements.

**MOSINEE SCHOOL DISTRICT
MOSINEE, WISCONSIN**

**NOTES TO THE BASIC
FINANCIAL STATEMENTS**

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - Summary of Significant Accounting Policies

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

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

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

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

Basis of Presentation

District-Wide Statements

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

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

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 1 - Summary of Significant Accounting Policies - Continued

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

Measurement Focus and Basis of Accounting

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

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

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

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

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 1 - Summary of Significant Accounting Policies - Continued

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

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

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

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

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

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

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

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

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 1 - Summary of Significant Accounting Policies - Continued

Inventories - Inventories are valued at cost using the first-in/first-out method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

A nonspendable fund balance has been recognized in governmental funds for these non-liquid assets to signify a portion of fund balance is not available for other subsequent expenditures.

Prepaids - Prepaid items represent payments for goods or services for which benefits extend beyond June 30.

A nonspendable fund balance has been recognized in governmental funds for these non-liquid assets to signify a portion of fund balance is not available for other subsequent expenditures.

Capital Assets - Capital assets are reported at actual cost or estimated historical costs. Donated assets are reported at estimated acquisition value at the date of donation

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

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

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

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

Compensated Absences - The District's policy permits employees to accumulate earned, but unused vacation and sick pay benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide statements. A liability for those amounts is recorded in the government funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary related benefits where applicable.

Pensions - The fiduciary net position of the Wisconsin Retirement System (WRS) has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the following: net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (revenue). Information about the fiduciary net position of the WRS and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the WRS. For this

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 1 - Summary of Significant Accounting Policies - Continued

purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

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

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

Net Position Classifications - Net position represents the difference between the total assets and deferred outflows of resources and the total liabilities and 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.

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

When net losses occur, it is the District's policy to record the net loss against committed fund balance, then assigned fund balance and lastly to unassigned fund balance (GASB 54 default for not having a policy). The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 2 - Cash and Investments

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

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

<u>Investment</u>	<u>Weighted Average Maturities</u>	<u>Fair Value</u>
AUL Fixed Interest	Less than one year	\$ 2,673,758
Wisconsin Investment Series Cooperative	Less than one year	<u>2,888,623</u>
Total		<u>\$ 5,562,381</u>

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

- 1) Employee Benefit Trust is determined based on published market quotations (level 1 inputs).
- 2) Wisconsin Investment Series Cooperative is determined based on published market quotations (level 1 inputs).

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

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

Credit Risk - State statutes limit investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The District does not have an investment policy that would further limit its investment choices. The AUL Fixed Interest and Wisconsin Investment Series Cooperative is not rated.

Custodial Credit Risk - Custodial credit is the risk that, in the event of a financial institution failure, the District's deposits may not be returned. The District does not have a policy in place for custodial credit risk. The State of Wisconsin's Public Deposit Guarantee Fund created under Chapter 34 of the Wisconsin Statutes protects the municipality's designated public depositories against any losses of public funds up to \$1,000,000 subject to the total amount of the Guarantee Fund available. As of June 30, 2024, \$3,730,254 of the District's bank balance of \$10,031,921 was exposed to custodial credit risk as uninsured, pledged collateral, collateralized by municipal government securities held by the bank in the bank's name and a letter of credit. \$2,640,851 was uninsured and uncollateralized.

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 3 - Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 381,661	\$ -	\$ -	\$ 381,661
Construction in progress	258,798	442,735	(701,533)	-
Total capital assets not being depreciated	640,459	442,735	(701,533)	381,661
Capital assets being depreciated:				
Land improvements	1,610,935	89,451	-	1,700,386
Buildings and improvements	50,466,902	701,533	-	51,168,435
Equipment	3,186,289	92,871	-	3,279,160
Total capital assets being depreciated	55,264,126	883,855	-	56,147,981
Less accumulated depreciation for:				
Land improvements	(928,141)	(61,972)	-	(990,113)
Buildings and improvements	(23,390,514)	(1,297,326)	-	(24,687,840)
Equipment	(2,224,468)	(107,456)	-	(2,331,924)
Total accumulated depreciation	(26,543,123)	(1,466,754)	-	(28,009,877)
Total capital assets being depreciated, net of accumulated depreciation	28,721,003	(582,899)	-	28,138,104
Capital assets, net of accumulated depreciation	<u>\$ 29,361,462</u>	<u>\$ (140,164)</u>	<u>\$ (701,533)</u>	<u>\$ 28,519,765</u>

Depreciation expense was charged to governmental functions as follows:

Building administration services \$ 1,466,754

NOTE 4 - Long-Term Obligations

Long-term obligations are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Bonds payable	\$ 16,045,000	\$ -	\$ (1,410,000)	\$ 14,635,000	\$ 1,475,000
Notes payable - direct borrowing	43,273	-	(8,961)	34,312	8,953
Premium	700,973	-	(66,220)	634,753	66,220
Vested vacation pay	32,434	70,295	(80,538)	22,191	22,191
Vested sick pay	168,474	116,508	(37,182)	247,800	247,800
Wisconsin Retirement System					
Net pension liability	4,162,515	-	(3,033,517)	1,128,998	-
Total	<u>\$ 21,152,669</u>	<u>\$ 186,803</u>	<u>\$ (4,636,418)</u>	<u>\$ 16,703,054</u>	<u>\$ 1,820,164</u>

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 4 - Long-Term Obligations - Continued

In prior years, the general and food service funds liquidated vested employee benefits. Interest cost incurred during the year totaled \$482,568 and total paid during the year aggregated \$561,515.

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

<u>Issue Description</u>	<u>Issue Dates</u>	<u>Interest Rates (%)</u>	<u>Dates of Maturity</u>	<u>Balance</u>
Bonds	6/17/15	2.5-3%	4/1/27	\$ 1,335,000
Bonds	4/12/18	3-5%	4/1/38	13,300,000
Notes	4/14/23	0%	5/14/28	34,311
Total				<u>\$ 14,669,312</u>

General Obligation Debt Limit Calculation - The 2023 equalized valuation of the District as certified by the Wisconsin Department of Revenue is \$1,609,054,203. The legal debt limit and margin of indebtedness as of June 30, 2024, in accordance with Section 67.03(1) (b) of the Wisconsin Statutes follows:

Debt limit (10 percent of \$1,609,054,203)	\$ 160,905,420
Applicable long-term debt	(14,669,312)
Amount available in debt service fund	<u>2,154,424</u>
Margin of indebtedness	<u>\$ 148,390,532</u>

The April 14, 2023 note has a zero percent interest rate. Generally Accepted Accounting Principles requires non-interest bearing notes to have interest imputed on the outstanding principal balance. \$2,742 of interest has been imputed based on an equivalent rate the District would pay for interest bearing notes.

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

Year Ending	Bonds		Notes Payable - Direct Borrowing and Placement		Total
	Principal	Interest	Principal	Interest	
June 30					
2025	\$ 1,475,000	\$ 504,215	\$ 8,953	\$ 1,233	\$ 1,989,401
2026	1,480,000	447,590	8,953	868	1,937,411
2027	870,000	389,840	8,953	502	1,269,295
2028	905,000	355,040	7,453	140	1,267,633
2029-2033	5,005,000	1,296,018	-	-	6,301,018
2034-2038	4,900,000	439,768	-	-	5,339,768
	<u>\$ 14,635,000</u>	<u>\$ 3,432,471</u>	<u>\$ 34,312</u>	<u>\$ 2,743</u>	<u>\$ 18,104,526</u>

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 5 - Wisconsin Retirement System

General Information about the Pension Plan

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

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

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

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

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

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

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

The WRS also provides death and disability benefits for employees.

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:

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 5 - Wisconsin Retirement System - Continued

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

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

During the reporting period, the WRS recognized \$967,468 in contributions from the employer.

Contribution rates as of June 30, 2024 are:

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

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

At June 30, 2024, the District reported a liability (asset) of \$1,128,998 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2023, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability (asset) was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, the District's proportion was 0.07593449%, which was a decrease of 0.00263758% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized pension expense (revenue) of \$787,597.

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

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 5 - Wisconsin Retirement System - Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,552,111	\$ 6,029,299
Net differences between projected and actual earnings on pension plan investments	3,934,377	-
Changes in assumptions	492,098	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	39,400	3,866
Employer contributions subsequent to the measurement date	501,914	-
Total	\$ 9,519,900	\$ 6,033,165

\$501,914 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense (revenue) as follows:

Year Ending June 30	Deferred Outflows and (Inflows) of Resources
2025	\$ 616,226
2026	648,749
2027	2,476,625
2028	(756,779)
Thereafter	-

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

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

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 5 - Wisconsin Retirement System - Continued

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

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

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

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

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

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

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

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

Single Discount Rate - A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. This discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 3.77% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 5 - Wisconsin Retirement System - Continued

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 (asset).

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

	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase to Discount Rate (7.8%)
District's proportionate share of the net pension liability (asset)	\$ 10,912,316	\$ 1,128,998	\$ (5,716,802)

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

Payables to the Pension Plan - The District reported a payable of \$261,792 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2024.

NOTE 6 - Supplemental Pension Defined Benefit Plan

General Information about the Supplemental Pension Plan

Plan Description - The supplemental pension is a single employer defined benefit pension plan. Benefit terms are established by employee handbooks and may be modified by the Board of Education. The plan is administered by the District and included in the District's financial statements.

Benefits Provided - Teachers under tier 1 (at least age 45 with at least 1 year of service as of July 1, 2021), at least age 55 with 13 years of service will receive \$40,000 paid out in 60 monthly installments to a 403(b) account. Teachers under tier 2 (not eligible for tier 1 and eligible to retire by June 30, 2036), at least age 55 with 15 years of service will receive \$25,000 paid out in 36 monthly installments to a 403(b) account. Teachers under tier 3 (not eligible for tier 1 or 2 and new hires), at least age 55 with 15 years of service will receive \$15,000 paid out in 36 monthly installments to a 403(b) account.

Support staff under tier 1 (those hired prior to July 1, 2021), at least age 55 with 15 years of service and WRS eligible will receive \$350 paid out each year of service to a 403(b) account, 60 days following retirement or the January following retirement if the maximum IRS contribution amounts were met in the calendar year of retirement.

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 6 - Supplemental Pension Defined Benefit Plan - Continued

Employees Covered - As of the June 30, 2024 measurement date, the following employees were covered by the benefit terms. The plan is not closed to new entrants.

Inactive employees or beneficiaries currently receiving benefits	23
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>180</u>
Total	<u>203</u>

Contributions - The Board of Education has the authority to establish the contribution requirements for the plan. The Board establishes contribution rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the unfunded accrued liability. For the year ended June 30, 2024, contribution rates for plan members were \$0 per participant per month and \$320 - \$963 from the District, depending on the type of retiree plan. Plan members receiving benefits contributed \$0 and the District contributed \$206,698 to the plan.

Actuarial Assumptions - The net supplemental pension liability (assets) in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	June 30, 2023
Measurement Date of Net Pension Liability (Asset):	June 30, 2024
Actuarial Cost Method:	Entry Age Normal - Level %
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	1.4%
Discount Rate:	4.5%
Salary Increases:	3%
Mortality:	2020 WRS Experience Tables

Actuarial assumptions are based upon an experience study conducted in 2021 using experience from 2018 - 2020. There were no material changes in assumptions or benefit terms which occurred between the actuarial valuation date and the measurement date.

Long-Term Expected Return on Plan Assets - The long-term expected rate of return on plan investments was determined by expected future real rates of return (expected returns, net of plan investment expense and inflation) developed for each major asset class.

Asset Class	Long-Term Real Rate of Return	Target Allocation
Fixed Income	1.4%	100%

Discount Rate - A discount rate of 4.5% was used to measure the total supplemental pension liability (asset). This discount rate was based on the expected rate of return on pension plan investments of 1.4%. The projection of cash flows used to determine the discount rate assumed the 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 of current plan members. Therefore, the long-term

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 6 - Supplemental Pension Defined Benefit Plan - Continued

expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total supplemental pension liability (asset).

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Beginning balance	\$ 1,398,528	\$ 2,965,387	\$ (1,566,859)
Changes for the year:			
Service cost	82,214	-	82,214
Interest	40,040	-	40,040
Differences between expected and actual experience	116,179	-	116,179
Changes of assumptions or other inputs	(77,524)	-	(77,524)
Net investment income	-	187,603	(187,603)
Benefit payments	(209,906)	(209,906)	-
Net changes	(48,997)	(22,303)	(26,694)
Ending balance	\$ 1,349,531	\$ 2,943,084	\$ (1,593,553)

Sensitivity of the Net Supplemental Pension Liability (Asset) to Changes in the Discount Rate -

The following presents the net supplemental pension liability (asset) calculated using the discount rate of 4.5 percent, as well as what the net supplemental pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (3.5 percent) or 1-percentage point higher (5.5 percent) than the current rate:

	1% Decrease to Discount Rate (3.5%)	Current Discount Rate (4.5%)	1% Increase to Discount Rate (5.5%)
Net supplemental pension liability (asset)	\$ (1,533,528)	\$ (1,593,553)	\$ (1,651,702)

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

For the year ended June 30, 2024, the District recognized pension expense (revenue) of (\$9,742).

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

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 6 - Supplemental Pension Defined Benefit Plan - Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 224,740	\$ 350,582
Net differences between projected and actual earnings on pension plan investments	-	71,727
Changes of assumptions or other input	170,554	320,302
Employer contributions subsequent to the measurement date	-	-
Total	\$ 395,294	\$ 742,611

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

Year Ending June 30	Deferred Outflows and (Inflows) of Resources
2025	\$ (46,530)
2026	(46,724)
2027	(51,529)
2028	(51,496)
2029	(35,947)
Thereafter	(115,091)

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

NOTE 7 - Interfund Balance and Activity

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Employee benefit trust	\$ 54,943

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

Interfund transfers at June 30, 2024 were as follows:

<u>Transfer from</u>	<u>Transfer to</u>	<u>Amount</u>
General	Long-term capital improvement trust	\$ 472,000

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 7 - Interfund Balance and Activity - Continued

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

NOTE 8 - Post Employment Benefits Other Than Pensions

General Information about the Post Employment Benefits Other Than Pensions

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

Benefits Provided - Teachers under tier 1 (at least age 45 with at least 1 year of service as of July 1, 2021), at least age 55 with 13 years of service will receive \$6,500 contributions per year, towards health premiums for 5 years, to a HRA account. This includes premiums on the District's health plan until COBRA exhaustion or an outside health plan. Teachers under tier 2 (not eligible for tier 1 and eligible to retire by June 30, 2036), at least age 55 with 15 years of service will receive \$1,300 contributions per year of service, towards health premiums up to a maximum of \$32,000, to a HRA account. This includes premiums on the District's health plan until COBRA exhaustion or an outside health plan. Teachers under tier 3 (not eligible for tier 1 or 2 and new hires), at least age 55 with 15 years of service will not receive contributions. Teachers under tiers 1 and 2, as a retiree, may choose to remain on the District's \$175,000 one year term life insurance, provided the retiree pays 100% of the required premiums until Medicare eligibility. Teachers under tier 3, as a retiree, may choose to remain on the District's \$130,000 one year term life insurance, provided the retiree pays 100% of the required premiums until Medicare eligibility.

Support staff under tier 1 (those hired prior to July 1, 2021), at least age 55 with 15 years of service and WRS eligible will receive \$410 contributions per year of service, towards health premiums up to a maximum of \$16,400, to a HRA account. These funds may be used to reimburse premiums on the District's health plan for the COBRA continuation period or an outside health plan.

Administrators at least age 55 with 5 years of service upon retirement, will receive a \$4,000/year for 5 years contribution towards a premium only HRA. The retiree may choose to remain on the District's \$130,000 one year term life insurance, provided the retiree pays 100% of the required premiums until Medicare eligibility. The District shall provide retiring administrators with HRA contributions in an amount based on years of service as of June 30, 2023: 5 years \$10,500, 10 years \$42,000, and 15 years \$57,750. This benefit shall be paid in 60 monthly payments over a 5-year period. These funds may be used towards premiums to remain on the District's health plan or with an outside provider.

Employees Covered - As of the June 30, 2024 measurement date, the following employees were covered by the benefit terms. The plan is not closed to new entrants.

Inactive employees or beneficiaries currently receiving benefits	25
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>257</u>
Total	<u>282</u>

Contributions - The Board of Education has the authority to establish the contribution requirements for the plan. The Board establishes contribution rates based on premiums and an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 8 - Post Employment Benefits Other Than Pensions - Continued

amount necessary to finance the unfunded accrued liability. For the year ended June 30, 2024, contribution rates for plan members were \$766 - \$1,430 per participant per month and \$150 - \$400 from the District, depending on the type of retiree plan. Plan members receiving benefits contributed \$29,402 and the District contributed \$0 to the plan.

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

Actuarial Valuation Date:	June 30, 2023
Measurement Date:	June 30, 2024
Actuarial Cost Method:	Entry Age Normal - Level %
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	1.4%
Discount Rate:	4.5%
Salary Increases:	3%
Mortality:	2020 WRS Experience Tables
Medical Care Cost Trend:	7% decreasing to 6.5%, then decreasing by .1% per year down to 4.5%, and level thereafter

The actuarial valuation was based upon the data provided by the District and utilized the premium rate history of the District's medical plans as well as the trends used in the prior valuation and projected a stream of expected premium rates for each year in the future based on the data as of June 30, 2023.

Actuarial assumptions are based upon an experience study conducted in 2021 using Wisconsin Retirement System experience from 2018 - 2020. There were no material changes in assumptions or benefit terms which occurred between the actuarial valuation date and the measurement date.

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

Asset Class	Long-Term Real Rate of Return	Target Allocation
Fixed Income	1.4%	100%

Discount Rate - A discount rate of 4.5% was used to measure the total OPEB healthcare liability (asset). This discount rate was based on the expected rate of return on plan investments of 1.4%. The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total OPEB healthcare liability (asset).

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 8 - Post Employment Benefits Other Than Pensions - Continued

Changes in the Net OPEB Healthcare Liability (Asset)

	Increase (Decrease)		
	Total OPEB Healthcare Liability (a)	Fiduciary Net Position (b)	Net OPEB Healthcare Liability (a) - (b)
Beginning balance	\$ 1,695,570	\$ 1,925,103	\$ (229,533)
Changes for the year:			
Service cost	132,361	-	132,361
Interest	51,843	-	51,843
Differences between expected and actual experience	(202,623)	-	(202,623)
Changes of assumptions or other input	(74,978)	-	(74,978)
Contributions - employer	-	29,402	(29,402)
Net investment income	-	121,790	(121,790)
Benefit payments	(67,314)	(67,314)	-
Net changes	(160,711)	83,878	(244,589)
Ending balance	\$ 1,534,859	\$ 2,008,981	\$ (474,122)

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

	1% Decrease to Healthcare Cost Rate (6% decreasing to 3.5%)	Current Healthcare Cost Rate (7% decreasing to 4.5%)	1% Increase to Healthcare Cost Rate (8% decreasing to 5.5%)
Net OPEB healthcare liability (asset)	\$ (488,330)	\$ (474,413)	\$ (459,415)

Sensitivity of the Net OPEB Healthcare Liability (Asset) to Changes in the Discount Rate - The following presents the net OPEB healthcare liability (asset) calculated using the discount rate of 4.5 percent, as well as what the net OPEB healthcare liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (3.5 percent) or 1-percentage point higher (5.5 percent) than the current rate:

	1% Decrease to Discount Rate (3.5%)	Current Discount Rate (4.5%)	1% Increase to Discount Rate (5.5%)
Net OPEB healthcare liability (asset)	\$ (409,712)	\$ (474,122)	\$ (537,051)

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 8 - Post Employment Benefits Other Than Pensions - Continued

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

For the year ended June 30, 2024, the District recognized OPEB healthcare expense (revenue) of \$(214,239).

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 191	\$ 1,007,088
Net differences between projected and actual earnings on pension plan investments	-	36,164
Changes of assumptions or other input	115,127	1,605,752
Employer contributions subsequent to the measurement date	-	-
Total	\$ 115,318	\$ 2,649,004

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

Year Ending June 30	Deferred Outflows and (Inflows) of Resources
2025	\$ (345,963)
2026	(349,897)
2027	(355,923)
2028	(355,647)
2029	(350,356)
Thereafter	(775,900)

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

NOTE 9 - Fund Balance and Net Position

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

<u>Governmental Fund</u>	<u>Purpose</u>	<u>Amount</u>
Nonspendable		
General	Prepays	\$ 49,180
Food service	Inventory	\$ 22,940

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 9 - Fund Balance and Net Position - Continued

Restricted		
General	Self-funded dental	\$ 227,807
General	Common school fund	\$ 6,416
Special revenue trust	Donor specific expenses	\$ 590,431
Non-referendum debt service	Principal and interest	\$ 605,784
Referendum approved debt service	Principal and interest	\$ 1,548,640
Long-term capital improvement trust	DPI regulation	\$ 179
Food service	Food service program	\$ 409,893
Assigned		
Community service	Community service projects	\$ 609,142

Governmental Activities

Restricted		
Special revenue	Donor specific expenses, food service program, and community service projects	\$ 1,000,324
Debt service	Principal and interest	\$ 2,154,424
Capital projects	DPI regulation	\$ 179
Other activities	Self-funded dental	\$ 227,807
Other activities	Common school fund	\$ 6,416
Other activities	OPEB supplemental pension	\$ 1,593,553
Other activities	OPEB healthcare	\$ 474,122

NOTE 10 - Risk Management

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters. The District manages these risks through the purchase of commercial insurance, except for self-insured dental benefits. Settled claims have not exceeded commercial coverage in any of the past three years and there has been no significant reduction in insurance coverage from coverage in the prior year.

NOTE 11 - Commitments and Contingencies

The District has a service agreement with Cooperative Education Service Agency #9 for services to be provided to the District in 2024-2025. Expected costs are \$68,365.

The District has a transportation agreement with estimated costs for the following school year:

2024-2025	\$ 1,139,439
2025-2026	1,207,806
2026-2027	<u>1,280,274</u>
	<u>\$ 3,627,519</u>

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 11 - Commitments and Contingencies - Continued

On June 30, 2022, the District had entered into an estimated \$4,265,690 construction contract for a middle school cafeteria and remodel of special education classrooms and areas. There is approximately \$188,088 remaining to be completed on this contract.

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

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

NOTE 12 - Limitation of School District Revenue

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

NOTE 13 - Self-Funded Insurance

The District established a self-funded dental benefit plan for its employees. The plan administrators are responsible for the approval, processing, and payment of claims, after which they bill the District for reimbursement. The District is also responsible for an administrative fee. The plan reports on a fiscal year ending June 30, 2024.

Accounting and budgeting requirements for the plan are established by the Wisconsin Department of Public Instruction. Currently, the plan is accounted for in the general fund and other funds of the District.

The District has no stop-loss coverage for dental care coverage of the plan.

The District has reported a liability of \$29,139, which represents reported and unreported claims which were incurred on or before June 30, 2024, but were not paid by the District as of that date. Changes in the claims liability for the years ended June 30, 2024 and June 30, 2023 are as follows:

	<u>Year Ended June 30, 2024</u>	<u>Year Ended June 30, 2023</u>
Beginning liability balance	\$ 47,776	\$ 25,011
Claims	217,154	258,400
Claim payments and changes in estimates	<u>(235,791)</u>	<u>(235,635)</u>
Ending liability balance	<u>\$ 29,139</u>	<u>\$ 47,776</u>

MOSINEE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
JUNE 30, 2024

NOTE 14 - Change Within the Financial Reporting Entity

The long-term capital improvement fund changed from a major fund to a nonmajor fund.

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balances	
	Funds	
	Long-Term Capital Improvement Trust	Nonmajor Governmental Funds
June 30, 2023, as previously reported	\$ 179	\$ 2,036,361
Change from major to nonmajor fund	(179)	179
June 30, 2023, as restated	<u>\$ -</u>	<u>\$ 2,036,540</u>

NOTE 15 - Subsequent Event

On August 20, 2024, the District accepted general obligation bonds in an amount not to exceed \$19,750,000.

**MOSINEE SCHOOL DISTRICT
MOSINEE, WISCONSIN**

**REQUIRED
SUPPLEMENTARY INFORMATION**

MOSINEE SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE FOR THE GENERAL FUND
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2024

	ORIGINAL BUDGETED AMOUNTS			FINAL BUDGETED AMOUNTS			ACTUAL AMOUNTS			VARIANCE WITH FINAL BUDGET
	GENERAL	SPECIAL EDUCATION	TOTAL	GENERAL	SPECIAL EDUCATION	TOTAL	GENERAL	SPECIAL EDUCATION	TOTAL	POSITIVE (NEGATIVE)
REVENUES										
Property taxes	\$ 6,913,796	\$ -	\$ 6,913,796	\$ 6,913,796	\$ -	\$ 6,913,796	\$ 6,927,490	\$ -	\$ 6,927,490	\$ 13,694
Other local sources	394,828	-	394,828	394,828	-	394,828	530,681	-	530,681	135,853
Interdistrict sources	1,778,817	9,624	1,788,441	1,778,817	9,624	1,788,441	1,783,793	16,728	1,800,521	12,080
Intermediate sources	11,200	3,500	14,700	11,200	3,500	14,700	57,022	-	57,022	42,322
State sources	16,472,657	1,315,547	17,788,204	16,472,657	1,315,547	17,788,204	16,532,642	1,369,842	17,902,484	114,280
Federal sources	589,826	700,712	1,290,538	589,826	700,712	1,290,538	551,803	456,228	1,008,031	(282,507)
Other sources	44,985	-	44,985	44,985	-	44,985	99,581	169	99,750	54,765
TOTAL REVENUES	26,206,109	2,029,383	28,235,492	26,206,109	2,029,383	28,235,492	26,483,012	1,842,967	28,325,979	90,487
EXPENDITURES										
Current										
Instruction										
Regular instruction	8,772,400	81,363	8,853,763	8,774,933	81,363	8,856,296	9,044,903	85,462	9,130,365	(274,069)
Vocational instruction	792,000	-	792,000	708,203	-	708,203	704,643	-	704,643	3,560
Special instruction	-	3,807,235	3,807,235	-	3,807,235	3,807,235	-	3,962,377	3,962,377	(155,142)
Other instruction	1,387,030	-	1,387,030	1,276,943	-	1,276,943	1,262,700	-	1,262,700	14,243
Total instruction	10,951,430	3,888,598	14,840,028	10,760,079	3,888,598	14,648,677	11,012,246	4,047,839	15,060,085	(411,408)
Support services										
Pupil services	1,020,570	551,806	1,572,376	824,277	551,806	1,376,083	852,660	577,523	1,430,183	(54,100)
Instructional staff services	867,533	368,609	1,236,142	1,324,115	368,609	1,692,724	1,348,053	170,594	1,518,647	174,077
General administration services	803,003	-	803,003	728,570	-	728,570	774,976	-	774,976	(46,406)
Building administration services	1,250,000	-	1,250,000	1,250,000	-	1,250,000	1,267,880	-	1,267,880	(17,880)
Business services	4,266,445	2,000	4,268,445	4,285,397	2,000	4,287,397	4,697,398	231,084	4,928,482	(641,085)
Central services	95,000	4,720	99,720	62,000	4,720	66,720	62,686	3,199	65,885	835
Insurance	185,000	-	185,000	177,720	-	177,720	192,885	-	192,885	(15,165)
Other support services	838,637	-	838,637	809,303	-	809,303	860,698	2,228	862,926	(53,623)
Total support services	9,326,188	927,135	10,253,323	9,461,382	927,135	10,388,517	10,057,236	984,628	11,041,864	(653,347)
Non-program transactions	2,162,671	3,000	2,165,671	2,091,402	3,000	2,094,402	2,088,994	15,306	2,104,300	(9,898)
Capital outlay	407,555	-	407,555	271,374	-	271,374	309,809	-	309,809	(38,435)
TOTAL EXPENDITURES	22,847,844	4,818,733	27,666,577	22,584,237	4,818,733	27,402,970	23,468,285	5,047,773	28,516,058	(1,113,088)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,358,265	(2,789,350)	568,915	3,621,872	(2,789,350)	832,522	3,014,727	(3,204,806)	(190,079)	(1,022,601)
OTHER FINANCING SOURCES (USES)										
Transfer (to) / from other funds	(3,517,791)	2,789,350	(728,441)	(3,781,398)	3,309,398	(472,000)	(3,676,806)	3,204,806	(472,000)	-
NET CHANGE IN FUND BALANCE	(159,526)	-	(159,526)	(159,526)	520,048	360,522	(662,079)	-	(662,079)	(1,022,601)
FUND BALANCE - BEGINNING OF YEAR	8,089,165	-	8,089,165	8,089,165	-	8,089,165	8,089,165	-	8,089,165	-
FUND BALANCE - END OF YEAR	\$ 7,929,639	\$ -	\$ 7,929,639	\$ 7,929,639	\$ 520,048	\$ 8,449,687	\$ 7,427,086	\$ -	\$ 7,427,086	\$ (1,022,601)

The accompanying notes are an integral part of these statements.

MOSINEE SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
ON BUDGETARY ACCOUNTING AND CONTROL
JUNE 30, 2024

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

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

1. Based upon requests from District staff, the District Administration recommends budget proposals to the Board of Education.
2. The Board of Education prepares a proposed budget including proposed expenditures and the means of financing them for the July 1 through June 30 fiscal year.
3. A public notice is published containing a summary of the budget and identifying the time and place where a public hearing will be held on the proposed budget.
4. Pursuant to the budget hearing, the Board of Education may make alterations to the proposed budget.
5. After the Board of Education (following the public hearing) adopts the budget, no changes may be made in the amount of tax to be levied or in the amount of the various appropriations and the purposes of such appropriations unless authorized by a 2/3 vote of the entire Board of Education.
6. Appropriations lapse at year end unless authorized as a carryover by the Board of Education. The portion of fund balance representing carryover appropriations is reported as a committed or assigned fund balance.
7. Encumbrance accounting is not used.
8. Budgets are adopted on a basis consistent with generally accepted accounting principles.

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

General/Special Education	Regular instruction	\$	274,069
General/Special Education	Special instruction		155,142
General/Special Education	Pupil services		54,100
General/Special Education	General administration services		46,406
General/Special Education	Building administration services		17,880
General/Special Education	Business services		641,085
General/Special Education	Insurance		15,165
General/Special Education	Other support services		53,623
General/Special Education	Non-program transactions		9,898
General/Special Education	Capital outlay		38,435

MOSINEE SCHOOL DISTRICT
WISCONSIN RETIREMENT SYSTEM PENSION SCHEDULES
YEAR ENDED JUNE 30, 2024

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

Pension Plan Fiscal Year	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
2023	0.07593449%	\$ 1,128,998	\$14,126,990	7.99%	98.85%
2022	0.07857207%	4,162,515	13,751,826	30.27%	95.72%
2021	0.08067167%	(6,502,285)	13,752,389	-47.28%	106.02%
2020	0.08222149%	(5,133,201)	13,391,915	-38.33%	105.26%
2019	0.08406072%	(2,710,501)	13,167,812	-20.58%	102.96%
2018	0.08510138%	3,027,640	12,975,554	23.33%	96.45%
2017	0.08624232%	(2,560,636)	12,711,804	-20.14%	102.93%
2016	0.08549154%	704,654	12,335,333	5.71%	99.12%
2015	0.08499535%	1,381,158	12,475,777	11.07%	98.20%
2014	0.08414164%	(2,066,749)	11,666,854	-17.71%	102.74%

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

District Fiscal Year End	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 967,468	\$ (967,468)	\$ -	\$ 14,120,493	6.85%
2023	926,798	(926,798)	-	13,922,404	6.66%
2022	903,594	(903,594)	-	13,752,389	6.57%
2021	903,955	(903,955)	-	13,391,915	6.75%
2020	862,498	(862,498)	-	13,167,812	6.55%
2019	869,363	(869,363)	-	12,975,554	6.70%
2018	864,401	(864,401)	-	12,711,804	6.80%
2017	814,135	(814,135)	-	12,335,333	6.60%
2016	848,355	(848,355)	-	12,475,777	6.80%
2015	816,680	(816,680)	-	11,666,854	7.00%

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

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

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

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

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

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

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

MOSINEE SCHOOL DISTRICT
WISCONSIN RETIREMENT SYSTEM PENSION SCHEDULES - Continued
YEAR ENDED JUNE 30, 2023

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

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

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

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

MOSINEE SCHOOL DISTRICT
WISCONSIN RETIREMENT SYSTEM PENSION SCHEDULES - Continued
YEAR ENDED JUNE 30, 2023

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

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

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

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

MOSINEE SCHOOL DISTRICT
SUPPLEMENTAL PENSION DEFINED BENEFIT PLAN SCHEDULES
YEAR ENDED JUNE 30, 2024

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability (Asset)										
Service cost	\$ 82,214	\$ 79,819	\$ 137,133	\$ 134,115	\$ 169,734	\$ 165,918	\$ 153,167	\$ 128,979	\$ -	\$ -
Interest	40,040	41,733	43,815	44,347	59,695	77,004	105,310	95,533	-	-
Change in accounting principle	-	-	(351,879)	-	(305,515)	-	-	-	-	-
Differences between expected and actual experience	116,179	38,535	(39,721)	-	(122,730)	(52,959)	(359,205)	219,190	-	-
Changes of assumptions or other inputs	(77,524)	-	(97,606)	-	(212,003)	97,838	277,483	(115,711)	-	-
Benefit payments, including refunds of employee contributions	(209,906)	(225,527)	(213,039)	(194,266)	(197,399)	(158,811)	(140,999)	(285,604)	-	-
Other changes	-	-	-	-	-	-	-	-	43,561	(107,210)
Net Changes in Total Pension Liability (Asset)	(48,997)	(65,440)	(521,297)	(15,804)	(608,218)	128,990	35,756	42,387	43,561	(107,210)
Total Pension Liability (Asset) - Beginning	1,398,528	1,463,968	1,985,265	2,001,069	2,609,287	2,480,297	2,444,541	2,402,154	2,358,593	2,465,803
Total Pension Liability (Asset) - Ending (a)	\$ 1,349,531	\$ 1,398,528	\$ 1,463,968	\$ 1,985,265	\$ 2,001,069	\$ 2,609,287	\$ 2,480,297	\$ 2,444,541	\$ 2,402,154	\$ 2,358,593
Plan Fiduciary Net Position										
Contributions - employer	\$ -	\$ -	\$ 152,000	\$ 194,266	\$ 349,399	\$ 158,811	\$ 140,999	\$ 285,604	\$ 263,776	\$ 287,088
Net investment income	187,603	89,815	(21,236)	2,454	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(209,906)	(225,527)	(213,039)	(194,266)	(197,399)	(158,811)	(140,999)	(285,604)	(263,776)	(287,088)
Other changes	-	-	3,028,920	-	-	-	-	-	-	-
Net Changes in Plan Fiduciary Net Position	(22,303)	(135,712)	2,946,645	2,454	152,000	-	-	-	-	-
Plan Fiduciary Net Position - Beginning	2,965,387	3,101,099	154,454	152,000	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	\$ 2,943,084	\$ 2,965,387	\$ 3,101,099	\$ 154,454	\$ 152,000	\$ -	\$ -	\$ -	\$ -	\$ -
Net Pension Liability (Asset) - Ending (a) - (b)	\$ (1,593,553)	\$ (1,566,859)	\$ (1,637,131)	\$ 1,830,811	\$ 1,849,069	\$ 2,609,287	\$ 2,480,297	\$ 2,444,541	\$ 2,402,154	\$ 2,358,593
Plan fiduciary net position as a percentage of the total pension liability (asset)	218.08%	212.04%	211.83%	7.78%	7.60%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$10,253,221	\$ 9,781,305	\$ 9,781,305	\$ 8,507,275	\$ 8,507,275	\$ 9,723,669	\$ 7,423,570	\$ 7,763,072	\$ 9,607,818	\$ 9,190,795
Net pension liability as a percentage of covered payroll	-15.54%	-16.02%	-16.74%	21.52%	21.74%	26.83%	33.41%	31.49%	25.00%	25.66%

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contributions	\$ -	\$ -	\$ -	\$ 362,233	\$ 362,233	\$ 236,690	\$ 264,493	\$ 264,930	\$ 263,776	\$ 263,776
Contributions in relation to the actuarially determined contributions	-	-	(152,000)	(194,266)	(349,399)	(158,811)	(140,999)	(285,604)	(263,776)	(287,088)
Contribution deficiency (excess)	\$ -	\$ -	\$ (152,000)	\$ 167,967	\$ 12,834	\$ 77,879	\$ 123,494	\$ (20,674)	\$ -	\$ (23,312)
Covered payroll	\$10,253,221	\$ 9,781,305	\$ 9,781,305	\$ 8,507,275	\$ 8,507,275	\$ 9,723,669	\$ 7,423,570	\$ 7,763,072	\$ 9,607,818	\$ 9,190,795
Contributions as a percentage of covered payroll	0.00%	0.00%	1.55%	2.28%	4.11%	1.63%	1.90%	3.68%	2.75%	3.12%
Actuarial valuation date	6/30/2023	6/30/2021	6/30/2021	6/30/2019	6/30/2019	6/30/2018	6/30/2018	6/30/2016	6/30/2014	6/30/2014
Measurement date	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2016	6/30/2014	6/30/2014

The District implemented the Government Accounting Standards Board Statement No. 68 for the year ended June 30, 2015. Requirements have been implemented prospectively; therefore, the above illustrations do not reflect similar information for the proceeding years.

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

Methods and assumptions used to determine actuarial calculations - entry age normal - level %, fair value asset valuation, 4.5% discount rate, 2.5% inflation, 3% salary increases, and 2020 WRS experience tables.

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

Changes of assumptions - there were no changes in the assumptions.

MOSINEE SCHOOL DISTRICT
OPEB HEALTHCARE DEFINED BENEFIT PLAN SCHEDULES
YEAR ENDED JUNE 30, 2024

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

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Healthcare Liability (Asset)							
Service cost	\$ 132,361	\$ 128,506	\$ 248,608	\$ 243,137	\$ 514,718	\$ 503,146	\$ 474,263
Interest	51,843	60,793	70,241	67,575	116,522	137,270	124,423
Change in accounting principle	-	-	-	-	305,515	-	-
Changes of benefit terms	-	(331,383)	(6,525)	-	-	-	-
Differences between expected and actual experience	(202,623)	(27,985)	(857,306)	-	(281,749)	396	(3,607)
Changes of assumptions or other input	(74,978)	-	(277,841)	-	(2,435,840)	238,122	-
Benefit payments	(67,314)	(193,096)	(231,915)	(158,052)	(134,335)	(150,935)	(240,532)
Net Changes in Total OPEB Healthcare Liability (Asset)	(160,711)	(363,165)	(1,054,738)	152,660	(1,915,169)	727,999	354,547
Total OPEB Healthcare Liability (Asset) - Beginning	1,695,570	2,058,735	3,113,473	2,960,813	4,875,982	4,147,983	3,793,436
Total OPEB Healthcare Liability (Asset) - Ending (a)	\$ 1,534,859	\$ 1,695,570	\$ 2,058,735	\$ 3,113,473	\$ 2,960,813	\$ 4,875,982	\$ 4,147,983
Plan Fiduciary Net Position							
Contributions - employer	\$ 29,402	\$ -	\$ -	\$ -	\$ -	\$ 510,652	\$ 726,083
Net investment income	121,790	59,622	78,126	90,916	90,781	43,102	54,239
Benefit payments	(67,314)	(193,096)	(231,915)	(158,052)	(134,335)	(250,000)	(240,532)
Other changes	-	189	(2,714,514)	-	-	-	140,999
Net Changes in Plan Fiduciary Net Position	83,878	(133,285)	(2,868,303)	(67,136)	(43,554)	303,754	680,789
Plan Fiduciary Net Position - Beginning	1,925,103	2,058,388	4,926,691	4,993,827	5,037,381	4,733,627	4,052,838
Plan Fiduciary Net Position - Ending (b)	\$ 2,008,981	\$ 1,925,103	\$ 2,058,388	\$ 4,926,691	\$ 4,993,827	\$ 5,037,381	\$ 4,733,627
Net OPEB Healthcare Liability (Asset) - Ending (a) - (b)	\$ (474,122)	\$ (229,533)	\$ 347	\$ (1,813,218)	\$ (2,033,014)	\$ (161,399)	\$ (585,644)
Plan fiduciary net position as a percentage of the total OPEB Healthcare Liability (Asset)	130.89%	113.54%	99.98%	158.24%	168.66%	103.31%	114.12%
Covered payroll	\$13,299,012	\$12,810,310	\$12,810,310	\$12,863,941	\$12,863,941	\$9,723,670	\$10,192,191
Net OPEB Healthcare Liability (Asset) as a percentage of covered payroll	-3.57%	-1.79%	0.00%	-14.10%	-15.80%	-1.66%	-5.75%

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contributions	\$ 28,424	\$ 121,731	\$ 121,731	\$ 141,479	\$ 141,479	\$ 593,462	\$ 593,462
Contributions in relation to the actuarially determined contributions	(29,402)	-	-	-	-	(150,935)	(726,083)
Contribution deficiency (excess)	<u>\$ (978)</u>	<u>\$ 121,731</u>	<u>\$ 121,731</u>	<u>\$ 141,479</u>	<u>\$ 141,479</u>	<u>\$ 442,527</u>	<u>\$ (132,621)</u>
Covered payroll	\$13,299,012	\$12,810,310	\$12,810,310	\$12,863,941	\$12,863,941	\$9,723,670	\$10,192,191
Contributions as a percentage of covered payroll	0.22%	0.00%	0.00%	0.00%	0.00%	1.55%	7.12%
Actuarial valuation date	6/30/2023	6/30/2021	6/30/2021	6/30/2019	6/30/2019	6/30/2018	6/30/2018
Measurement date	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018

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

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

Methods and assumptions used to determine actuarial calculations - entry age normal - level %, fair value asset valuation, 4.5% discount rate, 2.5% inflation, 3% salary increases, and 2020 WRS experience tables.

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

Changes of assumptions - there were no changes in the assumptions.

**MOSINEE SCHOOL DISTRICT
MOSINEE, WISCONSIN**

SUPPLEMENTARY INFORMATION

MOSINEE SCHOOL DISTRICT
COMBINING BALANCE SHEETS
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

	SPECIAL REVENUE FUNDS			DEBT SERVICE FUND	CAPITAL PROJECT FUND LONG-TERM CAPITAL IMPROVEMENT TRUST	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	TRUST	FOOD SERVICE	COMMUNITY SERVICE	NON-REFERENDUM		
ASSETS						
Cash and investments	\$ 591,539	\$ 442,514	\$ 685,281	\$ 605,784	\$ 179	\$ 2,325,297
Accounts	-	-	15,753	-	-	15,753
Due from other governments	-	41,194	-	-	-	41,194
Inventories	-	22,940	-	-	-	22,940
TOTAL ASSETS	591,539	506,648	701,034	605,784	179	2,405,184
LIABILITIES						
Accounts payable	1,108	-	88,532	-	-	89,640
Accrued payroll liabilities	-	-	3,360	-	-	3,360
Deposits payable	-	245	-	-	-	245
Unearned revenue	-	73,570	-	-	-	73,570
TOTAL LIABILITIES	1,108	73,815	91,892	-	-	166,815
FUND BALANCES						
Nonspendable	-	22,940	-	-	-	22,940
Restricted	590,431	409,893	-	605,784	179	1,606,287
Assigned	-	-	609,142	-	-	609,142
TOTAL FUND BALANCES	590,431	432,833	609,142	605,784	179	2,238,369
TOTAL LIABILITIES AND FUND BALANCES	\$ 591,539	\$ 506,648	\$ 701,034	\$ 605,784	\$ 179	\$ 2,405,184

MOSINEE SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	SPECIAL REVENUE FUNDS			DEBT SERVICE FUND	CAPITAL PROJECT FUND LONG-TERM CAPITAL IMPROVEMENT	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	TRUST	FOOD SERVICE	COMMUNITY SERVICE	NON-REFERENDUM	TRUST	
REVENUES						
Property taxes	\$ -	\$ -	\$ 650,000	\$ 1,239,590	\$ -	\$ 1,889,590
Other local sources	511,081	438,094	43,211	31,897	120	1,024,403
State sources	-	11,476	-	-	-	11,476
Federal sources	-	465,139	-	-	-	465,139
Other sources	300	80,952	-	800	-	82,052
TOTAL REVENUES	511,381	995,661	693,211	1,272,287	120	3,472,660
EXPENDITURES						
Current						
Instruction						
Regular instruction	27,304	-	-	-	-	27,304
Other instruction	309,445	-	-	-	-	309,445
Total instruction	336,749	-	-	-	-	336,749
Support service						
Pupil services	3,320	-	-	-	-	3,320
Building administration services	35,626	-	-	-	-	35,626
Business services	6,398	1,008,052	238,299	-	35,263	1,288,012
Other support services	-	-	25,664	-	-	25,664
Community services	-	-	241,265	-	-	241,265
Total support services	45,344	1,008,052	505,228	-	35,263	1,593,887
Non-program transactions	57,700	123	-	-	-	57,823
Debt service						
Principal	-	-	-	758,961	-	758,961
Interest	-	-	-	508,340	-	508,340
Total debt service	-	-	-	1,267,301	-	1,267,301
Capital outlay	25,900	24,314	-	-	436,857	487,071
TOTAL EXPENDITURES	465,693	1,032,489	505,228	1,267,301	472,120	3,742,831
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	45,688	(36,828)	187,983	4,986	(472,000)	(270,171)
OTHER FINANCING SOURCES						
Net transfer (to) from other funds	-	-	-	-	472,000	472,000
NET CHANGE IN FUND BALANCE	45,688	(36,828)	187,983	4,986	-	201,829
FUND BALANCES - BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	544,743	469,661	421,159	600,798	-	2,036,361
CHANGE WITHIN THE FINANCIAL REPORTING ENTITY	-	-	-	-	179	179
FUND BALANCES - BEGINNING OF YEAR, AS RESTATED	544,743	469,661	421,159	600,798	179	2,036,540
FUND BALANCES - END OF YEAR	\$ 590,431	\$ 432,833	\$ 609,142	\$ 605,784	\$ 179	\$ 2,238,369

MOSINEE SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

AWARDING AGENCY PASS-THROUGH AGENCY AWARD DESCRIPTION	PASS-THROUGH ENTITY IDENTIFYING NUMBER	ASSISTANCE LISTING NUMBER	PROGRAM OR AWARD AMOUNT	RECEIVABLE (UNEARNED REVENUE) JULY 1, 2023	REVENUES GRANTOR REIMBURSEMENTS	EXPENDITURES	RECEIVABLE (UNEARNED REVENUE) JUNE 30, 2024	SUBRECIPIENT PASS-THROUGH EXPENDITURES
U.S. DEPARTMENT OF AGRICULTURE								
Wisconsin Department of Public Instruction								
Child Nutrition Cluster								
School Breakfast Program		10.553						
July 1, 2022 - June 30, 2023	2023-373787-DPI-SB-546		N/A	\$ 840	\$ 840	\$ -	\$ -	\$ -
July 1, 2023 - June 30, 2024	2024-373787-DPI-SB-546		N/A	-	44,730	50,919	6,189	-
Food Distribution		10.555						
July 1, 2023 - June 30, 2024	None		N/A	-	72,594	72,594	-	-
National School Lunch Program		10.555						
July 1, 2022 - June 30, 2023	2023-373787-DPI-NSL-547		N/A	6,624	6,624	-	-	-
July 1, 2023 - June 30, 2024	2024-373787-DPI-NSL-547		N/A	-	306,621	341,626	35,005	-
Total Child Nutrition Cluster				7,464	431,409	465,139	41,194	-
TOTAL U.S. DEPARTMENT OF AGRICULTURE				7,464	431,409	465,139	41,194	-
FEDERAL COMMUNICATIONS COMMISSION								
Universal Service Administration Company								
Emergency Connectivity Fund Program		32.009						
July 1, 2023 - June 30, 2024	None		N/A	-	3,790	3,790	-	-
TOTAL FEDERAL COMMUNICATIONS COMMISSION				-	3,790	3,790	-	-
U.S. DEPARTMENT OF EDUCATION								
Wisconsin Department of Public Instruction								
Special Education Cluster								
Special Education - Grants to States (IDEA Part B)		84.027A						
July 1, 2022 - June 30, 2023	2023-373787-DPI-FLOW-341		N/A	125,050	125,050	-	-	-
July 1, 2023 - June 30, 2024	2024-373787-DPI-FLOW-341		\$378,123	-	322,593	352,398	29,805	-
Special Education - Grants to States - CEIS		84.027A						
July 1, 2022 - June 30, 2023	2023-373787-DPI-FLOW-341		N/A	18,808	18,808	-	-	-
July 1, 2023 - June 30, 2024	2024-373787-DPI-FLOW-341		71,086	-	55,539	79,614	24,075	-
Special Education - Preschool Grants (IDEA Preschool)		84.173A						
July 1, 2022 - June 30, 2023	None		N/A	23,172	23,172	-	-	-
July 1, 2023 - June 30, 2024	2024-373787-DPI-PRESCH-347		17,807	-	12,850	16,001	3,151	-
Total Special Education Cluster				167,030	558,012	448,013	57,031	-
Education Stabilization Fund								
COVID-19 - Elementary and Secondary School Emergency Relief		84.425D						
March 13, 2020 - September 30, 2023	2023-373787-DPI-ESSERFII-163		N/A	47,987	47,987	-	-	-
COVID-19 - Elementary and Secondary School Emergency Relief		84.425U						
March 13, 2020 - September 30, 2024	2023-373787-DPI-ESSERFIII-165		N/A	370,915	370,915	-	-	-
March 13, 2020 - September 30, 2024	2024-373787-DPI-LETRS-165		1,070,952	-	-	145,187	145,187	-
Total Education Stabilization Fund				418,902	418,902	145,187	145,187	-
Title I-A - Grants to Local Educational Agencies		84.010A						
July 1, 2022 - June 30, 2023	2023-373787-DPI-TI-A-141		N/A	30,855	30,855	-	-	-
July 1, 2023 - June 30, 2024	2024-373787-DPI-TI-A-141		226,091	-	118,646	140,942	22,296	-
Title II-A - Supporting Effective Instruction State Grants		84.367A						
July 1, 2022 - June 30, 2023	2023-373787-DPI-TIIA-365		N/A	33,146	33,146	-	-	-
July 1, 2023 - June 30, 2024	2024-373787-DPI-TIIA-365		41,359	-	-	41,359	41,359	-
Title IV - Student Support and Academic Enrichment Grants		84.424A						
July 1, 2023 - June 30, 2024	2024-373787-DPI-TIVA-381		16,354	-	16,354	16,354	-	-
Cooperative Educational Service Agency #9		84.048						
Career and Technical Education - Basic Grants to States (Perkins IV)								
July 1, 2023 - June 30, 2024	None		N/A	-	-	11,894	11,894	-
TOTAL U.S. DEPARTMENT OF EDUCATION				649,933	1,175,915	803,749	277,767	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES								
Wisconsin Department of Health Services								
Medicaid Cluster								
Medical Assistance		93.778						
July 1, 2022 - June 30, 2023	None		N/A	18,252	18,252	-	-	-
July 1, 2023 - June 30, 2024	None		N/A	-	201,518	212,386	10,868	-
Total Medicaid Cluster				18,252	219,770	212,386	10,868	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				18,252	219,770	212,386	10,868	-
TOTAL FEDERAL AWARDS				\$ 675,649	\$ 1,830,884	\$ 1,485,064	\$ 329,829	\$ -

The accompanying notes are an integral part of these statements.

MOSINEE SCHOOL DISTRICT
SCHEDULE OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2024

AWARDING AGENCY	ENTITY	STATE	RECEIVABLE	REVENUE		RECEIVABLE			
PASS-THROUGH AGENCY	IDENTIFYING	I.D.	(UNEARNED	GRANTOR		(UNEARNED	SUBRECIPIENT		
AWARD DESCRIPTION	NUMBER	NUMBER	REVENUE)	JULY 1, 2023	REIMBURSEMENTS	EXPENDITURES	REVENUE)	PASS-THROUGH	
							JUNE 30, 2024	EXPENDITURES	
WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION									
Wisconsin Department of Public Instruction									
Special Education and School Age Parents	373787-100	255.101	\$ -	\$ 1,328,832	\$ 1,328,832	\$ -	\$ -	-	-
State School Lunch Aid	373787-107	255.102	-	9,023	9,023	-	-	-	-
Common School Fund Library Aid	373787-104	255.103	-	136,327	136,327	-	-	-	-
General Transportation Aid	373787-102	255.107	-	93,865	93,865	-	-	-	-
General Aids Cluster									
Equalization Aid	373787-116	255.201	-	14,582,864	14,582,864	-	-	-	-
High Cost Special Education Aid	373787-119	255.210	-	32,023	32,023	-	-	-	-
School Based Mental Health Services	373787-177	255.297	6,982	71,139	64,157	-	-	-	-
School Breakfast Program	373787-108	255.344	-	2,453	2,453	-	-	-	-
Early College Credit Program	373787-178	255.445	-	1,946	1,946	-	-	-	-
Educator Effectiveness Evaluation System	373787-154	255.940	-	13,280	13,280	-	-	-	-
Per Pupil Aid	373787-113	255.945	-	1,446,900	1,446,900	-	-	-	-
Career and Technical Education Incentive	373787-152	255.950	-	74,980	74,980	-	-	-	-
Assessment of Reading Readiness	373787-166	255.956	-	3,543	3,543	-	-	-	-
Special Education Transition Incentive	373787-168	255.960	-	8,987	8,987	-	-	-	-
TOTAL WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION			6,982	17,806,162	17,799,180	-	-	-	-
WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT									
Northcentral Technical College									
Youth Apprenticeship State Grant	None	445.107	(3,447)	49,800	45,128	(8,119)	-	-	-
TOTAL WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT			(3,447)	49,800	45,128	(8,119)	-	-	-
WISCONSIN DEPARTMENT OF JUSTICE									
Security Updates and Mental Health Training	None	445.206	12,186	85,468	80,750	7,468	-	-	-
TOTAL WISCONSIN DEPARTMENT OF JUSTICE			12,186	85,468	80,750	7,468	-	-	-
WISCONSIN DEPARTMENT OF NATURAL RESOURCES									
Payment in Lieu of Taxes	None	None	-	4,256	4,256	-	-	-	-
TOTAL WISCONSIN DEPARTMENT OF NATURAL RESOURCES			-	4,256	4,256	-	-	-	-
WISCONSIN DEPARTMENT OF REVENUE									
Exempt Personal Property Aid	None	None	-	21,283	21,283	-	-	-	-
Exempt Computer Aid	None	None	8,491	8,491	8,491	8,491	-	-	-
TOTAL WISCONSIN DEPARTMENT OF REVENUE			8,491	29,774	29,774	8,491	-	-	-
TOTAL STATE FINANCIAL ASSISTANCE			\$ 24,212	\$ 17,975,460	\$ 17,959,088	\$ 7,840	\$ -	-	-

The accompanying notes are an integral part of these statements.

MOSINEE SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
JUNE 30, 2024

NOTE 1 - Basis of Presentation

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

NOTE 2 - Summary of Significant Accounting Policies

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

NOTE 3 - Special Education and School Age Parents Program

2023-2024 eligible costs under the State Special Education Program are \$4,595,582.

NOTE 4 - Food Distribution Program

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

NOTE 5 - 10% De Minimis Cost Rate

Elected not to use.

**MOSINEE SCHOOL DISTRICT
MOSINEE, WISCONSIN
OTHER REPORTS**



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

To the Board of Education
Mosinee School District
Mosinee, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Mosinee School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Mosinee School District's basic financial statements and have issued our report thereon dated December 5, 2024.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Mosinee School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters, 2024-003, that is required to be reported under Government Auditing Standards, described in the accompanying schedule of findings and questioned costs.

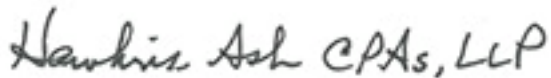
Mosinee School District's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Mosinee School District's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Mosinee School District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

HAWKINS ASH CPAS, LLP

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

Manitowoc, Wisconsin
December 5, 2024



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

To the Board of Education
Mosinee School District
Mosinee, Wisconsin

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and *State Single Audit Guidelines*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

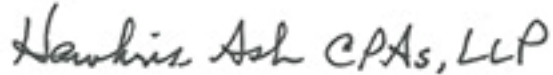
Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

HAWKINS ASH CPAS, LLP

A handwritten signature in dark ink that reads "Hawkins Ash CPAs, LLP". The script is cursive and fluid, with the letters "H", "A", and "C" being particularly prominent.

Manitowoc, Wisconsin
December 5, 2024

MOSINEE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

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

Federal Awards

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

6. Identification of major federal programs:

Assistance Listing Number

84.027/84.173
85.425U

Name of Federal Program or Cluster

Special Education Cluster
Education Stabilization Fund

State Assistance

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

10. Identification of major state programs:

State ID Number

255.201

Name of State Program or Cluster

Equalization Aid

- | | |
|---|-----------|
| 11. Dollar threshold used to distinguish between: | |
| Type A and Type B federal programs: | \$750,000 |
| Type A and Type B state programs: | \$538,773 |
| 12. Auditee qualified as low-risk auditee? | Yes |

MOSINEE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued
JUNE 30, 2024

Section II - Financial Statement Findings and Questioned Costs

2024-001 - Preparation of Financial Statements

Program: District-Wide

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

Condition: Personnel cannot prepare GAAP basis financial statements.

Questioned Costs: Not applicable.

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

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

Information: Isolated instance.

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

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

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

2024-002 - Significant Audit Adjustments

Program: District-Wide

Criteria: Generally accepted accounting principles.

Condition: Significant audit adjustments were required to prevent the District's financial statements from being misstated.

Questioned Costs: Not applicable.

Context: Internal controls did not identify that adjustments should be recorded.

Effect: This weakness could result in undetected errors and irregularities and misstated interim financial reports.

Information: Isolated instance.

Prior Year Finding: This was a prior year audit finding numbered 2023-002.

MOSINEE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued
JUNE 30, 2024

Section II - Financial Statement Findings and Questioned Costs - Continued

Recommendation: Improve the District's financial reporting internal controls to prevent these types of adjustments from occurring in the future. Document which accounting procedures are needed to be completed on a recurring basis to detect significant adjustments.

Management's Response: The District will incorporate financial reporting internal controls to detect significant adjustments, prevent misstated financial statements and increase the accuracy of the interim financial reports used by management.

2024-003 - Actual Expenditures Over Budget

Program: General Fund.

Criteria: Wisconsin Statute 120.16(2) prohibits spending more than budgeted expenditures.

Condition: The District spent \$1,113,088 more than their adopted budget.

Questioned Costs: Not applicable.

Context: The District did not monitor actual spending in comparison with budgeted amounts.

Effect: The District is not in compliance with Wisconsin Statutes.

Information: Isolated instance.

Prior Year Finding: This was not a prior year audit finding.

Recommendation: The District should monitor actual expenditures compared to the adopted budget and formally amend the budget to ensure total actual expenditures do not exceed total budgeted expenditures.

Management's Response: The District typically does not formally amend the original budget. In the future, we will review our budget calculations throughout the year and formally amend the budget if necessary.

Section III - Federal and State Award Findings and Questioned Costs

None

Section IV - Other Issues

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

MOSINEE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued
JUNE 30, 2024

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

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

4. Name and signature of partner



Randall L. Miller, Partner



Mission Statement: The Mission of the Mosinee School District is to improve student progress academically and socially, preparing them to be productive members of a multicultural society; promote partnerships with the community to create multiple opportunities for learning; and foster life-long learners who are self-motivated with the adaptability for future change.

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

Summary Schedule of Prior Audit Findings

2023-001 - Preparation of Financial Statements - Repeat. Initially occurred 6/30/14.

2023-002 - Significant Audit Adjustments - Repeat. Initially occurred 6/30/17.

Corrective Action Plan

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

2024-002 - Significant Audit Adjustments - Contact: Rodney Huther, Business Manager. Completion date: June 30, 2025. The District will improve its financial reporting internal controls by reconciling accounts on a recurring basis to prevent significant audit adjustments. District management will review and approve the audit adjustments.

2024-003 - Actual Expenditures Over Budget - Contact: Rodney Huther, Business Manager. Completion date: June 30, 2025. The District will review our budget calculations throughout the year and formally amend the budget if necessary.