

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2024



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BALDWIN, WISCONSIN
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BALDWIN, WISCONSIN
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FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Board of Education
Baldwin-Woodville Area School District
Baldwin, Wisconsin

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, other postemployment benefits plan schedules, and pension 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

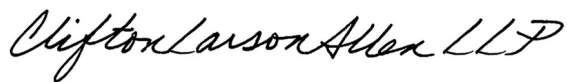
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the schedule of state financial assistance as required by the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules, the 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 February 10, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Hudson, Wisconsin
February 10, 2025

BASIC FINANCIAL STATEMENTS

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
STATEMENT OF NET POSITION
JUNE 30, 2024**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 7,211,772
Taxes Receivable	2,364,474
Accounts Receivable	8,693
Due from Other Governments	576,739
Due from Fiduciary Funds	348,956
Capital Assets Not Being Depreciated/Amortized:	
Land	843,686
Construction Work in Progress	122,438
Capital Assets Being Depreciated/Amortized:	
Land Improvements	1,991,789
Building and Building Improvements	61,079,899
Furniture and Equipment	6,051,097
Leased Assets (Right-to-Use)	87,529
Less: Accumulated Depreciation/Amortization	(24,882,013)
Total Assets	<u>55,805,059</u>
DEFERRED OUTFLOWS OF RESOURCES	
Wisconsin Retirement System Pension Related	8,639,742
Single-Employer Other Post-Employment Benefit Related	601,349
Single-Employer Other Supplemental Pension Related	399,280
Total Deferred Outflows of Assets	<u>9,640,371</u>
LIABILITIES	
Accounts Payable	607,477
Accrued Interest Payable	150,609
Accrued Salaries and Wages	1,133,204
Payroll Taxes and Withholdings	1,044,999
Due to Fiduciary Funds	355,802
Unearned Revenue	23,372
Long-Term Liabilities:	
Amounts Due Within One Year	2,000,773
Amounts Due In More than One Year	25,927,689
Wisconsin Retirement System Net Pension Liability	1,017,126
Single-Employer Other Post-Employment Benefits Liability	1,628,681
Single-Employer Other Supplemental Pension Liability	516,458
Total Liabilities	<u>34,406,190</u>
DEFERRED INFLOWS OF RESOURCES	
Wisconsin Retirement System Pension Related	5,438,974
Single-Employer Other Post-Employment Benefit Related	927,096
Single-Employer Other Supplemental Pension Related	30,896
Total Deferred Inflows of Resources	<u>6,396,966</u>
NET POSITION	
Net Investment in Capital Assets	17,545,230
Restricted for:	
Unspent Common School Funds	1,856
Debt Service	151,776
Capital Improvements Trust	781,084
Student Scholarships and Student Activities	470,919
Food Service	586,156
Day Care	218,035
Unrestricted	4,887,218
Total Net Position	<u><u>\$ 24,642,274</u></u>

See accompanying Notes to Basic Financial Statements.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Primary Government:					
Governmental Activities:					
Instruction:					
Regular Instruction	\$ 9,070,577	\$ 1,486,819	\$ 235,680	\$ 132,897	\$ (7,215,181)
Vocational Instruction	525,763	86,650	43,021	-	(396,092)
Special Instruction	3,126,584	2,634	1,066,496	-	(2,057,454)
Other Instruction	1,480,973	286,571	1,411	-	(1,192,991)
Total Instruction	14,203,897	1,862,674	1,346,608	132,897	(10,861,718)
Support Services:					
Pupil Services	1,556,413	51,889	295,603	-	(1,208,921)
Instructional Staff Services	1,232,432	-	627,861	-	(604,571)
General Administration Services	664,690	-	3,942	-	(660,748)
Building Administration Services	1,066,560	-	-	-	(1,066,560)
Business Services	181,316	-	-	-	(181,316)
Operation and Maintenance of Plant	3,345,992	9,878	-	-	(3,336,114)
Pupil Transportation Services	1,012,718	-	126,844	139,055	(746,819)
Food Service	900,238	507,533	454,110	-	61,405
Central Services	35,637	-	4,043	-	(31,594)
Insurance and Judgments	445,984	-	-	-	(445,984)
Interest and Fiscal Fees	568,211	-	-	-	(568,211)
Other Support Services	1,068,001	-	259	-	(1,067,742)
Community Services	959,112	866,844	-	-	(92,268)
Depreciation - Unallocated *	551,634	-	-	-	(551,634)
Total Support Services	13,588,938	1,436,144	1,512,662	139,055	(10,501,077)
Total Primary Government	\$ 27,792,835	\$ 3,298,818	\$ 2,859,270	\$ 271,952	(21,362,795)

GENERAL REVENUES

Taxes:

Property Taxes, Levied for General Purposes	5,273,853
Property Taxes, Levied for Debt Purposes	2,533,878
Property Taxes, Levied for Community Service Purposes	250,000
State and Federal Aids Not Restricted to Specific Functions	14,121,466
Interest and Investment Earnings	274,878
Miscellaneous	519,514
Total General Revenues	22,973,589

CHANGE IN NET POSITION

1,610,794

Net Position - Beginning of Year

23,031,480

NET POSITION - END OF YEAR

\$ 24,642,274

* This amount excludes depreciation included in the direct expense of the various functions - see Note 3.C.

See accompanying Notes to Basic Financial Statements.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024**

	General Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Totals
ASSETS					
Cash and Investments	\$ 4,993,570	\$ 302,385	\$ -	\$ 1,915,817	\$ 7,211,772
Taxes Receivable	2,364,474	-	-	-	2,364,474
Accounts Receivable	6,816	-	-	1,877	8,693
Due from Other Governments	576,739	-	-	-	576,739
Due from Other Governmental Funds	131,583	-	-	200,000	331,583
Due from Fiduciary Funds	348,956	-	-	-	348,956
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 8,422,138</u>	<u>\$ 302,385</u>	<u>\$ -</u>	<u>\$ 2,117,694</u>	<u>\$ 10,842,217</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 441,536	\$ -	\$ -	\$ 165,941	\$ 607,477
Accrued Salaries and Wages	1,133,204	-	-	-	1,133,204
Payroll Taxes and Withholdings	1,044,999	-	-	-	1,044,999
Due to Other Governmental Funds	200,000	-	-	131,583	331,583
Due to Fiduciary Funds	355,802	-	-	-	355,802
Unearned Revenue	-	-	-	23,372	23,372
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	3,175,541	-	-	320,896	3,496,437
FUND BALANCES					
Restricted	1,856	302,385	-	1,933,757	2,237,998
Unassigned	5,244,741	-	-	(136,959)	5,107,782
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	5,246,597	302,385	-	1,796,798	7,345,780
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 8,422,138</u>	<u>\$ 302,385</u>	<u>\$ -</u>	<u>\$ 2,117,694</u>	<u>\$ 10,842,217</u>

See accompanying Notes to Basic Financial Statements.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2024**

Total Fund Balances - Governmental Funds	\$	7,345,780
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Capital Assets	\$ 70,176,438	
Accumulated Depreciation/Amortization	<u>(24,882,013)</u>	45,294,425

The District's Pension and other post-employment benefit assets (liabilities) and related deferred outflows and inflows are recorded only on the Statement of Net Position. Balances at year-end are:

Multi-Employer Wisconsin Retirement System Pension Plan:

Net Pension Liability	(1,017,126)	
Deferred Outflows of Resources - Pension Related	8,639,742	
Deferred Inflows of Resources - Pension Related	<u>(5,438,974)</u>	2,183,642

Single-Employer Other Post-Employment Benefits and Supplemental Pension:

Other Post-Employment Benefits Liability	(1,628,681)	
Supplemental Pension Liability	(516,458)	
Other Post-Employment Benefits Payable Deferred Outflows of Resources	601,349	
Other Post-Employment Benefits Payable Deferred Inflows of Resources	(927,096)	
Supplemental Pension Payable Deferred Outflows of Resources	399,280	
Supplemental Pension Payable Deferred Inflows of Resources	<u>(30,896)</u>	(2,102,502)

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Those liabilities consist of:

General Obligation Debt	(26,886,545)	
Lease Liability	(2,725)	
Accrued Interest Payable on Long-Term Debt	(150,609)	
Vested Employee Benefits	<u>(301,704)</u>	(27,341,583)

Debt discounts and premiums are deferred in the statement of net position and amortized over the life of the related debt. In the governmental funds these items are considered other financing sources/uses when incurred:

Unamortized Bond Premiums	<u>(737,488)</u>
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Net Position of Governmental Activities	\$	<u>24,642,274</u>
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**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024**

	General Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Totals
REVENUES					
Local Sources:					
Property Taxes	\$ 5,273,853	\$ 2,533,878	\$ -	\$ 250,000	\$ 8,057,731
Other Local Sources	479,908	-	1,681	1,829,012	2,310,601
Interdistrict Sources	1,706,956	-	-	-	1,706,956
Intermediate Sources	47,439	-	-	-	47,439
State Sources	15,411,027	-	-	10,572	15,421,599
Federal Sources	1,338,117	-	-	443,538	1,781,655
Other Sources	62,290	-	-	15,358	77,648
Total Revenues	<u>24,319,590</u>	<u>2,533,878</u>	<u>1,681</u>	<u>2,548,480</u>	<u>29,403,629</u>
EXPENDITURES					
Instruction:					
Regular Instruction	9,470,939	-	-	28,875	9,499,814
Vocational Instruction	555,005	-	-	-	555,005
Special Instruction	3,162,035	-	-	4,729	3,166,764
Other Instruction	1,131,635	-	-	344,543	1,476,178
Support Services:					
Pupil Services	1,576,278	-	-	-	1,576,278
Instructional Staff Services	1,216,451	-	-	300	1,216,751
General Administration	667,475	-	-	-	667,475
School Building Administration	1,081,997	-	-	-	1,081,997
Business Services	183,956	-	-	-	183,956
Operation and Maintenance of Plant	2,323,152	-	157,440	649,016	3,129,608
Pupil Transportation Services	1,038,264	-	-	-	1,038,264
Food Service	-	-	-	893,119	893,119
Central Services	37,116	-	-	-	37,116
Insurance and Judgments	445,984	-	-	-	445,984
Debt Service	29,701	2,598,186	-	-	2,627,887
Other Support Services	1,076,751	-	-	15,049	1,091,800
Community Services	-	-	-	987,478	987,478
Total Expenditures	<u>23,996,739</u>	<u>2,598,186</u>	<u>157,440</u>	<u>2,923,109</u>	<u>29,675,474</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	322,851	(64,308)	(155,759)	(374,629)	(271,845)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	38,437	-	204,468	242,905
Transfers Out	(200,000)	-	-	(42,905)	(242,905)
Net Other Financing Sources (Uses)	<u>(200,000)</u>	<u>38,437</u>	<u>-</u>	<u>161,563</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	122,851	(25,871)	(155,759)	(213,066)	(271,845)
Fund Balances - Beginning of Year	<u>5,123,746</u>	<u>328,256</u>	<u>155,759</u>	<u>2,009,864</u>	<u>7,617,625</u>
FUND BALANCES - END OF YEAR	<u>\$ 5,246,597</u>	<u>\$ 302,385</u>	<u>\$ -</u>	<u>\$ 1,796,798</u>	<u>\$ 7,345,780</u>

See accompanying Notes to Basic Financial Statements.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGE IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

Net Change in Fund Balances - Total Governmental Funds \$ (271,845)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense in the current period these amounts are:

Capital Outlays Reported in Governmental Fund Statements	\$ 1,532,666	
Depreciation/Amortization Expense Reported in the Statement of Activities	<u>(2,082,691)</u>	(550,025)

In the statement of activities, the gain or loss on the sale or disposal of capital assets is recognized. The fund financial statements recognize only the proceeds from these sales.

The gain (loss) on disposal of capital assets during the year is: (191,829)

Pension and OPEB expenditures on the governmental funds are measured by current year employer contributions. Pension and OPEB expenses on the Statement of Activities are measured by the change in net pension asset or liability and the related deferred inflows and outflows of resources.

Net Change in Wisconsin Retirement Net Pension Asset/Liability	283,473	
Net Change in Single-Employer Supplemental Pension Liability	(20,497)	
Net Change in Single-Employer Other Post-Employment Benefit Items	<u>283,355</u>	546,331

Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities. The amount of long-term debt principal payments in the current year is:

Bonds and Notes Payable	1,955,527	
Lease Liability	<u>28,400</u>	1,983,927

Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:

Amortization of Debt Premium	62,353	
Net Change in Compensated Absences Payable	18,486	
Net Change in Accrued Interest Payable	<u>13,396</u>	94,235

Change in Net Position of Governmental Activities \$ 1,610,794

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2024**

	Employee Benefit Trust Funds
ASSETS	
Cash and Investments	\$ 576,918
Due from Governmental Funds	<u>355,802</u>
Total Assets	932,720
LIABILITIES	
Due to Governmental Funds	<u>348,956</u>
NET POSITION	
Restricted for Other Postemployment Benefits	<u><u>\$ 583,764</u></u>

See accompanying Notes to Basic Financial Statements.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2024**

	Employee Benefit Trust Funds
ADDITIONS	
Local Sources:	
Interest	\$ 8,718
Employer Contributions	327,115
Total Additions	<u>335,833</u>
DEDUCTIONS	
Trust Fund Disbursements	<u>320,269</u>
CHANGE IN NET POSITION	15,564
Net Position - Beginning of Year	<u>568,200</u>
NET POSITION - END OF YEAR	<u><u>\$ 583,764</u></u>

See accompanying Notes to Basic Financial Statements.

NOTES TO BASIC FINANCIAL STATEMENTS

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The financial statements of the Baldwin-Woodville Area School District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity

The Baldwin-Woodville Area School District is organized as a common school district. The District, governed by a seven-member elected school board, operates grades kindergarten through 12 and is comprised of all or parts of 11 taxing districts.

The financial reporting of the District is defined by the GASB to consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The basic financial statements of the District consist solely of the primary government. No other organizations were identified for inclusion in the financial reporting entity of the District.

C. Government-Wide and Fund Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds) as described below:

Government-Wide Statements

The statement of net position and the statement of activities present financial information about the District's governmental type activities. (The District had no business-type activities for the reporting year.) 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.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Government-Wide and Fund Financial Statements (Continued)

Government-Wide Statements (Continued)

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.

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 nonmajor funds.

The District has the following major governmental funds:

General Fund – The General Fund is the operating fund of the District. It is used to account for all financial resources of the District except those required to be accounted for in another fund.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. For report purposes, the District has combined its debt service funds into one fund.

Capital Projects Fund – The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of capital facilities.

Additionally, the District reports the following fiduciary fund:

Employee Benefit Trust Fund – The Employee Benefit Trust Fund is used to account for resources held in trust for formally established employee benefit plans.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting

The government-wide and fiduciary trust fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange 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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

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 six months after the end of the fiscal year, except for property taxes which have an availability period of 60 days. 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, including entering into contracts for the right-to-use assets, are reported as expenditures in governmental funds. Issuance of general long-term debt and acquisitions of right-to-use assets by lease arrangements 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 expenditures 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 preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in financial statements and accompanying notes. Actual results could differ from those estimates.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Equity

1. Deposits and Investments

Cash and investment balances for individual funds are pooled unless maintained in segregated accounts.

The District is required to invest its funds in accordance with Wisconsin Statutes 66.0603 and 67.11(2). State statutes permit the District to invest available cash balances, other than debt service funds, in time deposits of authorized depositories, U.S. Treasury obligations, U.S. agency issues, high-grade commercial paper, and the local government pooled-investment fund 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.

Donations to the District of securities or other property are considered trust funds and are invested as the donor specifies. In the absence of any specific directions, the District may invest the donated items in accordance with the laws applicable to trust investments.

2. Receivables and Payables

Property Taxes. Under Wisconsin law, personal property taxes and first installment real estate taxes are collected by city, town, and village treasurers or clerks who then make proportional settlement with the school district and county treasurer for those taxes collected on their behalf. The county treasurer then makes settlement with the city, town, village, and school districts before retaining any for county purposes collects second installment real estate taxes and delinquent taxes.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Equity (Continued)

2. Receivables and Payables (Continued)

Property Taxes (Continued). The District's property taxes are levied on or before October 31 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 31st, and a final payment no later than the following July 31st. 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 15th, and by the 20th of each subsequent month thereafter. On or before August 20th, the County Treasurer makes full settlement to the District for any remaining balance. The County assumes all responsibility for delinquent real property taxes.

Property taxes are recognized as revenue in the period for which 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 1st, when an enforceable lien is assessed against the property and the taxpayer is liable for the taxes. All taxes are collected within 60 days of June 30th and are available to pay current liabilities.

Accounts Receivable. All accounts receivable are shown at gross amounts. No allowance for uncollectible accounts has been provided since such allowance would not be material.

Interfund Balances. The current portion of lending/borrowing arrangements between funds is identified as "due to/from other funds." The noncurrent portion of outstanding balances between funds is reported as "advances to/from other funds." Advances between funds are classified as nonspendable fund balance to indicate that they are not available for appropriation and are not expendable available financial resources. For government-wide financial statements, eliminations were made for amounts due to and due from within the same fund type.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Equity (Continued)

3. Capital Assets

Capital assets are reported at actual cost or estimated historical costs. The costs of normal maintenance and repairs that do not add to the value of the asset or materiality extend its life are not capitalized. Donated assets are reported at acquisition value at the time received.

Land and construction in progress are not depreciated. Capitalization thresholds (the dollar valued above which asset acquisitions are added to the capital asset accounts), depreciation/amortization methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

	Capitalization Threshold	Depreciation/ Amortization Method	Estimated Useful Life
Land	\$ 5,000	N/A	N/A
Land Improvements	5,000	Straight-line	20 Years
Buildings	5,000	Straight-line	50 Years
Building Improvements	5,000	Straight-line	7 to 30 Years
Furniture and Equipment	5,000	Straight-line	5 to 20 Years
Vehicles	5,000	Straight-line	8 Years
Textbooks, Library and Media*	5,000	Straight-line	5 to 7 Years
Right-To-Use Assets	5,000	Straight-line	5 Years

* For purposes of determining the capitalization threshold for these items the District groups all purchases for the year.

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

4. Deferred Outflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The category of deferred outflow of resources reported in the statement of net position is related to pensions, and other postemployment benefits. Deferred outflows on pension and other postemployment benefits are more fully discussed in Note 4A, 4B and 4C.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Equity (Continued)

5. Deferred Inflows of Resources

In addition to liabilities, the statement of net position and the governmental funds balance sheet includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. In the government-wide financial statements, the District's deferred inflows of resources reported on the statement of net position relate to pension and other postemployment benefits, which are more fully discussed in Note 4A, 4B and 4C.

6. Compensated Absences

It is the District's policy to permit certain employees to accumulate paid leave benefits. Liabilities for accumulated employee leave benefits are not accrued in the District's governmental fund financial statements but are recorded as expenditures when paid. Such liabilities are accrued in the government-wide financial statement when earned. The District's policies and estimated liabilities at year-end are further discussed in Note 4.D.

7. Unearned Revenue

Unearned revenues are reported in connection with resources that have been received but not yet earned.

8. Other Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the postemployment benefits trust (trust) and additions to/deductions from the trust's fiduciary net position have been determined on the same basis as they are reported by the trust. For this purpose, the trust recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

9. Supplemental Pension Plan

Under the provisions of various employee and union contracts the District provides a supplemental retirement program whereas the District pays the retirees a stipend upon retirement if certain age and minimum years of service requirements are met. This amount was actuarially determined, in accordance with GASB 73.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Equity (Continued)

10. Wisconsin Retirement System Pension Benefits

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

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

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

11. Long-Term Obligations

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

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

12. Use of Restricted Resources

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

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Equity (Continued)

13. Equity Classifications

Fund equity, representing the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources, is classified as follows in the District's financial statements:

Government-Wide and Fiduciary Fund Statements. Fund equity is classified as net position in the government-wide and fiduciary fund financial statements and is displayed in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is displayed as unrestricted.

Governmental Fund Financial Statements. In the governmental fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that are legally or contractually required to be maintained intact. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the board.

Unassigned fund balance is the residual classification for the District's general fund and includes all spendable amounts not contained in the other classifications. It is the District's policy that at the end of each fiscal year, the District will maintain unassigned portion of fund balance for cash flow of at least 15% but not greater than 25% of the general fund expenditure budget for the subsequent year.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Equity (Continued)

13. Equity Classifications (Continued)

Governmental Fund Financial Statements (Continued). Committed fund balance is required to be established, modified, or rescinded by resolution of the District Board prior to each year-end. Based on resolution of the District Board, the District Superintendent also has the authority to establish or modify assigned fund balance. When restricted and unrestricted fund balance is available for an expenditure, it is the District's policy to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available for an expenditure, it is the District's policy to use committed, assigned, and finally unassigned fund balance.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Accounting principles generally accepted in the United States of America require the disclosure of individual funds that have a deficit balance at year-end. At June 30, 2024, the adult education fund had a negative balance of \$69,911 and the recreation fund had a negative balance of \$67,048. These deficits will be covered by future operations.

In the general fund, expenditures exceeded the budgeted amount for expenditures as shown below:

	Final Budgeted Amounts	Actual	Variance With Final Budget - Positive (Negative)
EXPENDITURES			
Instruction:			
Undifferentiated Curriculum	\$ 3,797,659	\$ 3,932,458	\$ (134,799)
Regular Curriculum	4,067,658	4,137,925	(70,267)
Vocational Curriculum	519,342	555,005	(35,663)
Co-Curricular Activities	454,926	595,703	(140,777)
Support Services:			
Pupil Services	1,410,097	1,576,278	(166,181)
Instructional Staff Services	1,198,960	1,216,451	(17,491)
School Building Administration	1,063,905	1,081,997	(18,092)
Insurance and Judgments	413,000	445,984	(32,984)
Debt Service	-	29,701	(29,701)
Other Support Services	547,406	708,211	(160,805)
Nonprogram:			
Purchased Instructional Services	1,374,200	1,466,027	(91,827)
Other Nonprogram	39,000	335,633	(296,633)

These overages were determined necessary and authorized by management.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The trust fund accounts for their transactions through separate and distinct cash and investment accounts. All other funds share in common cash and investment accounts.

The District's cash and investments balances at June 30, 2024 as shown in the financial statements as follows:

Governmental Funds	\$ 7,211,772
Fiduciary Funds:	
Employee Benefit Trust Funds	576,918
Total	<u>\$ 7,788,690</u>

The above balances at June 30, 2024 consisted of the following:

Deposits at Financial Institutions	\$ 7,209,923
Investments with Fiscal Agent (Employee Benefit Trust Funds)	576,918
Nondepository Petty Cash Funds	1,849
Total	<u>\$ 7,788,690</u>

Deposits at Financial Institutions

The District's balances at individual financial institutions were subject to coverage under federal depository insurance and amounts appropriated by Sections 20.144(1)(a) and 34.08 of the Wisconsin Statutes (State Guarantee Fund). Federal depository insurance provides for coverage of up to \$250,000 for time and savings deposits and up to \$250,000 for demand deposits at any institution. In addition, funds held for others (such as trust funds) are subject to coverage under the name of the party for whom the funds are held. Coverage under the State Guarantee Fund may not exceed \$1,000,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the Wisconsin Statutes authorizes the City to collateralize its deposits that exceed the amount of coverage provided by federal depository insurance and the State Guarantee Fund.

Custodial credit risk for deposits is the risk that, in the event of bank failure, the District's deposits may not be returned. At June 30, 2024, the District's deposits were not exposed to custodial credit risk.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments

Investments with Fiscal Agent. The investment with fiscal agent consisted of amounts paid into the employee benefit trust fund (see Note 4.B) which are held in a nonregistered fixed interest annuity with American United Life Insurance Company (AUL). These fixed interest annuities are backed by the AUL's general account assets. AUL bears the investment risk for the AUL fixed interest account values and for paying interest. The annuity is valued at contract value. The investment is neither rated nor insured.

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. The District's policy is to invest its funds in accordance with provisions of the Wisconsin Statutes previously discussed in Note 1.E.1.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with maturity dates further into the future are more sensitive to changes in market interest rates. The daily maturities of the investment in American United Life mitigate this risk to the District. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

B. Fair Value Measurements

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

The District follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. In accordance with this standard, the District has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1), evaluator models using credit information, market movement and sector news (Level 2) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Fair Value Measurements (Continued)

Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

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

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

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

The District currently has no investments that are subject to fair value measurement.

C. Capital Assets

Changes in the capital assets for the year ended June 30, 2024 were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Nondepreciable/ Nonamortized:				
Land	\$ 843,686	\$ -	\$ -	\$ 843,686
Construction Work in Progress	-	122,438	-	122,438
Total Capital Assets, Nondepreciable/Nonamortized	843,686	122,438	-	966,124
Capital Assets, Depreciable/ Amortization for:				
Land Improvements	1,570,767	421,022	-	1,991,789
Buildings and Improvements	60,804,822	544,950	(269,873)	61,079,899
Furniture and Equipment	6,047,986	444,256	(441,145)	6,051,097
Leased Assets (Right-to-Use) Equipment	87,529	-	-	87,529
Subtotals	68,511,104	1,410,228	(711,018)	69,210,314
Less Accumulated Depreciation/ Amortization for:				
Land Improvements	751,545	90,445	-	841,990
Buildings and Improvements	18,463,782	1,502,151	(119,669)	19,846,264
Furniture and Equipment	4,046,680	461,658	(399,520)	4,108,818
Leased Assets (Right-to-Use) Equipment	56,504	28,437	-	84,941
Subtotals	23,318,511	2,082,691	(519,189)	24,882,013
Total Capital Assets, Depreciable/Amortizable, Net	45,192,593	(672,463)	(191,829)	44,328,301
Governmental Activities, Capital Assets Net	<u>\$ 46,036,279</u>	<u>\$ (550,025)</u>	<u>\$ (191,829)</u>	<u>\$ 45,294,425</u>

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Depreciation/amortization was charged to governmental functions as follows:

Instruction:		
Regular Instruction	\$	18,585
Vocational Instruction		8,550
Special Instruction		2,666
Other Instruction		21,624
Support Services:		
Instructional Staff Services		27,498
General Administrative Services		3,192
Operation and Maintenance of Plant		1,176,023
Pupil Transportation Services		167,213
Food Service		67,959
Community Services		19,448
Other Support Services		18,299
Unallocated Depreciation		551,634
Total Depreciation/Amortization for Governmental Activities	\$	<u>2,082,691</u>

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2024 was as follows:

Due To/Due From

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Adult Education Fund	\$ 65,764	Transaction Settlement Between Funds
General Fund	Employee Benefit Trust Fund	348,956	Transaction Settlement Between Funds
General Fund	Recreation Fund	65,819	Transaction Settlement Between Funds
Capital Improvements Fund	General Fund	200,000	Finance Capital Project Costs
Employee Benefit Trust Fund	General Fund	355,802	Trust Fund Contribution
		<u>\$ 1,036,341</u>	

Interfund Transfers

Fund Transferred To	Fund Transferred From	Amount	Purpose
Debt Service Fund	Day Care Fund	\$ 38,437	Finance Current Year Debt Maturities
Food Service Fund	Education Trust Fund	4,468	Finance Negative Lunch Balances
Capital Improvements Fund	General Fund	200,000	Fund Capital Project Costs
		<u>\$ 242,905</u>	

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations

Changes in Long-Term Obligations

Long-term obligations of the District for the year ended June 30, 2024 were as follows:

	Balances June 30, 2023	Additions	Reductions	Balances June 30, 2024	Amounts Due Within One Year
Notes from Direct Borrowings	\$ 312,072	\$ -	\$ 25,527	\$ 286,545	\$ 26,621
General Obligation Bonds	28,530,000	-	1,930,000	26,600,000	1,970,000
Unamortized Bond Premiums	799,841	-	62,353	737,488	-
Total General Obligation Debt	29,641,913	-	2,017,880	27,624,033	1,996,621
Lease Liability	31,125	-	28,400	2,725	1,135
Compensated Absences	320,190	-	18,486	301,704	3,017
Total	<u>\$ 29,993,228</u>	<u>\$ -</u>	<u>\$ 2,064,766</u>	<u>\$ 27,928,462</u>	<u>\$ 2,000,773</u>

The District's estimated liabilities for other postemployment benefits, pension benefits, and compensated absences are discussed in Note 4.B, 4.C and 4.D, respectively.

General Obligation Debt

Individual general obligation long-term debt issues outstanding at June 30, 2024 and future principal and interest requirements for their retirement at that date were as follows:

	Issue Date	Final Maturity Date	Interest Rate	Original Issue	Amount Outstanding
General Obligation Bonds:					
Refunding Bonds	7/16/20	4/1/35	0.65% - 2.40%	\$ 18,380,000	\$ 15,800,000
Refunding Bonds	7/16/20	4/1/40	2.00% - 5.00%	12,110,000	10,800,000
General Obligation Notes	6/18/18	6/18/33	4.25%	424,000	286,545
Total					<u>\$ 26,886,545</u>

Annual debt service fund cash flow requirements for retirement of the above long-term debt principal and interest at June 30, 2024 were as follows:

Fiscal Year Ending June 30,	Governmental Activities				Total
	Bonds		Notes from Direct Borrowings		
	Principal	Interest	Principal	Interest	
2025	\$ 1,970,000	\$ 583,529	\$ 26,621	\$ 11,816	\$ 2,591,966
2026	2,020,000	539,314	27,841	10,745	2,597,900
2027	2,070,000	491,224	29,076	9,510	2,599,810
2028	1,440,000	438,474	30,366	8,219	1,917,059
2029	1,935,000	412,426	31,714	6,872	2,386,012
2030-2034	10,300,000	1,433,564	140,927	12,525	11,887,016
2035-2039	5,885,000	446,581	-	-	6,331,581
2040	980,000	22,050	-	-	1,002,050
Totals	\$ 26,600,000	\$ 4,367,162	\$ 286,545	\$ 59,687	\$ 31,313,394

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

General Obligation Debt (Continued)

The 2023 equalized valuation of the District as certified by the Wisconsin Department of Revenue, 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% of \$1,244,004,771)	\$ 124,400,477
Deduct Long-Term Debt Applicable to Debt Margin	<u>26,886,545</u>
Margin of Indebtedness	<u><u>\$ 97,513,932</u></u>

The District's outstanding notes from direct borrowings and direct placements along with the bonds payable are backed by the full faith and credit of the District. The outstanding debt in the governmental funds will be retired by future property tax levies accumulated by the debt service fund.

Lease Liability: Right-to-Use Asset Agreements

The District had two right-to-use lease arrangement for printers and copiers totaling \$87,529. The District is required to make various monthly principal and interest payments. The District used the incremental borrowing rate as the interest rate for the right-to-use asset agreements if an interest rate was not provided in the lease agreements.

The District leases copiers and printers for various terms under long-term, noncancelable lease arrangements. The leases expire at various dates through 2027.

Total principal and interest costs for such leases for governmental funds was \$28,400 and \$1,302 respectively, for the year ended June 30, 2024. The future minimum lease payments for these agreements are as follows:

<u>Year Ended June 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,135	\$ 94	\$ 1,229
2026	1,184	45	1,229
2027	406	4	410
Total	<u><u>\$ 2,725</u></u>	<u><u>\$ 143</u></u>	<u><u>\$ 2,868</u></u>

These lease agreements qualify as right-to-use assets for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the date of their inception. The assets acquired through right-to-use asset lease agreements are as follows:

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Governmental Fund Balances

The governmental fund balances reported on the fund financial statements at June 30, 2024 consisted of the following:

	Total	Restricted	Unassigned
Major Funds:			
General Fund:			
Common School Fund	\$ 1,856	\$ 1,856	\$ -
Unassigned	5,244,741	-	5,244,741
Subtotal General Fund	5,246,597	1,856	5,244,741
Debt Service Payments	302,385	302,385	-
Capital Projects Fund	-	-	-
Nonmajor Funds:			
Special Revenue Funds:			
Student Scholarship and Student Activities	470,919	470,919	-
Food Service Program	586,156	586,156	-
Adult Education	(69,911)	-	(69,911)
Day Care	218,035	218,035	-
Recreation	(67,048)	-	(67,048)
Capital Improvements Trust Fund	658,647	658,647	-
Subtotal Nonmajor Funds	1,796,798	1,933,757	(136,959)
Total Governmental Funds Balances at June 30, 2024	<u>\$ 7,345,780</u>	<u>\$ 2,237,998</u>	<u>\$ 5,107,782</u>

NOTE 4 OTHER INFORMATION

A. Wisconsin Retirement System Pension Plan Benefits

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.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

General Information about the Pension Plan (Continued)

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

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

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

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

The WRS also provides death and disability benefits for employees.

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.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

General Information about the Pension Plan (Continued)

Post-Retirement Adjustments (Continued). The Core and Variable annuity adjustments granted during recent years are as follows:

<u>Year</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)

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

Contributions (Continued). During the year ended June 30, 2024, the WRS recognized \$878,756 in contributions from the employer.

Contribution rates as of June 30, 2024 are:

	<u>2024</u>	
	<u>Employee</u>	<u>Employer</u>
General (Including Teachers)	6.90%	6.90%

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

At June 30, 2024, the District reported an liability of \$1,017,126 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, the District's proportion was 0.06841017%, which was a decrease of 0.00157785% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$701,610.

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

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 4,101,043	\$ 5,431,857
Changes of Assumptions	443,336	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,544,521	-
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	969	7,117
District Contributions Subsequent to the Measurement Date	549,873	-
Total	<u>\$ 8,639,742</u>	<u>\$ 5,438,974</u>

\$549,873 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ending June 30, 2025.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

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

<u>Year Ending June 30,</u>	<u>Pension Expense Amount</u>
2025	\$ 542,506
2026	569,194
2027	2,222,585
2028	(683,390)

Actuarial assumptions. The total pension liability 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:	3.0%
Seniority/Merit:	0.1% to 5.6%
Mortality:	2020 WRS Experience Mortality Table
Postretirement Adjustments*:	1.7%

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

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

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

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

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

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%.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

Single Discount rate. A single discount rate of 6.8% was used to measure the Total Pension Liability, for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 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 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 expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the Net Pension Liability (Asset) to changes in the discount rate. The following presents the District's proportionate share of the Net Pension Liability (Asset) calculated using the discount rate of 6.8%, 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%) or 1-percentage-point higher (7.8%) than the current rate:

	1.0% decrease (5.8%)	Current Discount Rate (6.8%)	1.0% increase (7.8%)
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 9,831,019	\$ 1,017,126	\$ (5,150,327)

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>.

Payable to the Pension Plan

The District reported a payable of \$369,634 for the outstanding amount of contributions to the pension plan for the year ended June 30, 2024.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Other Than Pensions (OPEB)

The District adopted Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. The District engaged an actuary to determine the District's liability for postemployment healthcare benefits other than pensions.

Single-Employer Plan

Plan Description

The Baldwin-Woodville Area School District's plan is a single-employer defined benefit plan used to provide postemployment benefits other than pensions (OPEB). The District's OPEB consists of several interdependent pieces arising from the rules of the plan. The amounts paid by the District for continued health care for all classifications that are entitled to a benefit are briefly outlined below. The School Board of the Baldwin-Woodville Area School District is designated as the administrator of the OPEB plan and it reserves the right to alter, amend, or terminate the OPEB at any time for any reason, without consent.

Benefits Provided

District Accountant, Director of Maintenance and Operations: At least age 59 with a minimum of 20 years of service with the District, The District shall contribute \$500 per month into an HRA for a period of five years. These funds may not be used to continue coverage in the District's group medical plan. Upon retirement, retirees may self-pay the full amount of premiums on the District's medical plan only for the duration of COBRA.

Teachers: At least age 55 with a minimum of 15 years of service and hired prior to July 1, 2006. The District will contribute towards an eligible retiree's health and dental premiums for a period of eight years or until the employee becomes eligible to enroll in Medicare, whichever occurs first beginning July 1, 2017. The amount of these medical premium contributions is based upon a percentage of the contracted rate as determined by retirement age. The District will make the full (100%) contributions towards an eligible retiree's dental premiums for a period of eight years or until Medicare eligible.

Those retiring after July 1, 2017 are limited to Medicare eligibility and are also responsible for a portion of their dental insurance. The District will make their contribution towards an eligible retiree's dental premiums for a period of 8 years or Medicare eligible. Employees will be responsible for the contract amount they retire under.

All Retirees Participating in the District's Group Medical Plan: The District offers an HSA contribution per year for medical plan participants for reimbursement of deductible expenses. These contributions amount to \$1,000 for single coverage and \$2,000 for family coverage and will not exceed Medicare eligibility.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Other Than Pensions (OPEB) (Continued)

Single-Employer Plan (Continued)

Employees covered by benefit terms. At June 30, 2024, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	19
Active plan members entitled to but not yet receiving benefit payments	78
Active Plan Members	<u>156</u>
Total	<u><u>253</u></u>

Contributions

Per Article 6 of the District's Trust Agreement states the District shall make contributions to the Trust from time to time as required per contractual agreement, and, in addition, such other contributions, if any, as it may determine in its discretion. For the year ended June 30, 2024, the District's average contribution rate was 2.72% of covered payroll.

Investments

Investment policy. The School Board of the Baldwin-Woodville Area School District's policy in regard to the allocation of invested assets is established and may be amended by the School Board by a majority vote of its members. It is the policy of the School Board that all investments shall be made and administered in compliance with legal requirements, sections 25.50, 34.05, 34.08, 66.06.07, 120.11(3), 120.12(7), 120.16(5) Wisconsin State Statutes and other regulatory authorities. The following was the School Board's asset allocation policy as of June 30, 2024:

<u>Asset Class</u>	<u>Target Allocation</u>
Fixed Annuity	<u><u>100 %</u></u>

Rate of Return. For the year ended June 30, 2024, the annual money-weighted rate of return, net of investment expense, was 1.49%.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Other Than Pensions (OPEB) (Continued)

Net OPEB Liability

Total OPEB Liability - Ending (a)	\$ 2,212,445
Plan Fiduciary Net Position - Ending (b)	<u>583,764</u>
District's Net OPEB Liability - Ending (a) - (b)	<u>\$ 1,628,681</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	26.39%

The District's net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024:

Valuation Date:	June 30, 2022
Measurement Date:	June 30, 2024
Reporting Date:	June 30, 2024
Actuary Cost Method:	Entry Age Normal (level percent of salary)
Inflation:	2.50%
Healthcare Cost Trend Rates	7.00% decreasing to 6.50%, then decreasing by 0.10% per year down to 4.5% and level thereafter
Discount Rate:	3.50%
Salary Increases:	3.0%
Actuarial Assumptions:	Based on experience study conducted in 2021 using Wisconsin Retirement System (WRS) experience from 2018-20
Mortality:	2020 WRS experience tables for active employees and health retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Other Than Pensions (OPEB) (Continued)

Single-Employer Plan (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 3.50% and was unchanged from the prior year. The projection of cash flows used to determine the single discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future OPEB payments for current plan members. Since the assets are held in a fixed interest account, the long-term expected rate of return on OPEB plan investments was based upon a 20-year AA municipal bond rate and applied to all periods of projected benefit payments to determine the total OPEB liability.

A discount rate of 3.50% was used in calculating the District's OPEB liabilities (based upon all projected payments discounted at a long-term expected rate of return of 2.25%). This rate is equivalent to the Bond Buyer GO 20-year AA Bond Index published by the Federal Reserve as of the week of the measurement date.

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	Target Allocation	Long-Term Expected Real Long-Term
Fixed Annuity	100 %	3.50%

Changes in the Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a-b)
Balances at June 30, 2023	\$ 2,401,833	\$ 568,200	\$ 1,833,633
Changes for the Year:			
Service Cost	52,486	-	52,486
Interest	79,378	-	79,378
Differences Between Expected and Actual Experience	(983)	-	(983)
Changes of Assumptions or Other Input	-	-	-
Contributions - Employer	-	327,115	(327,115)
Net Investment Income	-	8,718	(8,718)
Benefit Payments	(320,269)	(320,269)	-
Net Changes	(189,388)	15,564	(204,952)
Balances at June 30, 2024	\$ 2,212,445	\$ 583,764	\$ 1,628,681

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Other Than Pensions (OPEB) (Continued)

Single-Employer Plan (Continued)

Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current discount rate:

		1% Decrease 2.50%	Current Discount Rate (3.50%)	1% Increase 4.50%
Net OPEB Liability	6/30/24	<u>\$ 1,699,059</u>	<u>\$ 1,628,681</u>	<u>\$ 1,559,109</u>

Sensitivity of the net OPEB liability to changes in the health care cost trend rates

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

		1% Decrease (6.0% Decreasing to 3.5%)	Health Care Cost Trend Rates (7.0% Decreasing to 4.5%)	1% Increase (8.0% Decreasing to 5.5%)
Net OPEB Liability	6/30/24	<u>\$ 1,504,276</u>	<u>\$ 1,628,681</u>	<u>\$ 1,762,307</u>

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

For the year ended June 30, 2024, the District recognized OPEB expense of \$43,760. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	Deferred Outflows of Resources	Deferred Inflows of Deferred
Differences Between Expected and Actual Experience	\$ 354,130	\$ 665,650
Changes of Assumptions or Other Input	229,516	261,446
Net Difference Between Projected and Actual Earnings on OPEB Investments	17,703	-
Total	<u>\$ 601,349</u>	<u>\$ 927,096</u>

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Other Than Pensions (OPEB) (Continued)

OPEB Expense/Revenue and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30,</u>	<u>OPEB Expense Amount</u>
2025	\$ (69,777)
2026	(70,238)
2027	(61,629)
2028	(63,889)
2029	(66,147)
Thereafter	5,933

The plan does not issue separate financial statements.

C. Supplemental Pension Plan

In connection with the adoption of Governmental Accounting Standards Board (GASB) Statement No. 73, the District engaged an actuary to determine the District's liability for its supplemental pension plan.

Single-Employer Plan

Plan Description

The Baldwin-Woodville Area School District provides eligible teachers hired prior to July 1, 2006 that are not enrolled in the District's group medical plan during their last year of employment with a stipend paid into a WEA TSA. The benefit is based upon a formula involving the retirees' annual salary over their last five years of service as well as their final annual salary, the annual single medical and dental premiums, the WRS contribution rate, and age at retirement. This benefit will be paid out equally over a period of five years.

As of June 30, 2024, employees covered by the plan are as follows:

Inactive Plan Members or Beneficiaries Currently	
Receiving Benefit Payments	3
Inactive Plan Members Entitled to but not yet Receiving	
Benefit Payments	6
Active Plan Members	8
Total	<u><u>17</u></u>

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Supplemental Pension Plan (Continued)

Single-Employer Plan (Continued)

Benefits provided

Authority for payment of pension benefits is established by employment contracts. Benefit and eligibility provisions are established through negotiations between the District and the employee or the union and are negotiated each bargaining period.

Total Pension Liability

The District recognizes its total pension liability, rather than a net pension liability. In order for the District to recognize a net pension liability, assets must be accumulated in a trust that meets the following criteria:

- Contributions from the employer and nonemployer contributing entities, and the earnings thereon, must be irrevocable.
- Pension plan assets must be dedicated to providing pensions to plan members in accordance with benefit terms.
- Pension plan assets must be legally protected from the creditors of employer, nonemployer contributing entities, the plan administrator, and the plan members.

No assets are accumulated in a trust that meets all of the above criteria. Accordingly, the District's total pension liability is not reduced by any assets accumulated in a trust that meets the criteria, and the District must report its total pension liability.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Supplemental Pension Plan (Continued)

Single-Employer Plan (Continued)

Total Pension Liability (Continued)

The District's total pension liability was determined by an actuarial valuation as of June 30, 2024 (the measurement date). At June 30, 2024, the District reported a total pension liability of \$516,458. Changes in the District's total pension liability were as follows:

Total Pension Liability - June 30, 2023	\$ 531,087
Changes for the Year:	
Service Cost	11,833
Interest	19,451
Benefit Payments	(101,474)
Differences Between Expected and Actual Experience	60,888
Changes of Assumptions of Other Input	<u>(5,327)</u>
Net Changes	<u>(14,629)</u>
Total Pension Liability - June 30, 2024	<u><u>\$ 516,458</u></u>

Pension Costs

For the year ended June 30, 2024, the District recognized pension expense of \$121,971. At June 30, 2024, the District reported the following deferred outflows and inflows of resources related to the plan as follows:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 151,750	\$ -
Changes of Assumptions or Other Input	<u>247,530</u>	<u>(30,896)</u>
Total	<u><u>\$ 399,280</u></u>	<u><u>\$ (30,896)</u></u>

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

<u>Year Ended June 30.</u>	Pension Expense Amount
2025	\$ 90,690
2026	86,123
2027	94,129
2028	87,575
2029	9,867
Thereafter	-

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Supplemental Pension Plan (Continued)

Single-Employer Plan (Continued)

Actuarial assumptions

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

Valuation Date:	June 30, 2022
Measurement Date:	June 30, 2024
Reporting Date:	June 30, 2024
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.50%
Discount Rate:	4.21%
Salary Increases:	3.00%
Actuarial Assumptions:	Based on experience study conducted in 2021 using Wisconsin Retirement System (WRS) experience from 2018-20
Mortality:	2020 WRS experience tables for active employees and health retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010

Discount rate

The discount rate used to measure the total pension liability was 4.21%, as opposed to a discount rate of 4.0% in the prior year. The discount rate is based upon the Bond Buyer GO 20-Year AA Bond Index published by Federal Reserve as of the week of the measurement date.

Total Pension Liability Sensitivity

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

	1% Decrease (3.21%)	Current Discount Rate (4.21%)	1% Increase (5.21%)
Total Pension Liability	<u>\$ 542,094</u>	<u>\$ 516,458</u>	<u>\$ 492,244</u>

The plan does not issue separate financial statements.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Compensated Absences

The District's policy on allowing sick leave benefits to vest is based upon employee and union contracts. An employee terminating employment, and having met length of service requirements, if any, will be paid his/her accumulated sick leave at a daily rate dependent upon their position with the District. This benefit is financed through the District's annual operating budget on a pay-as-you-go basis. The District's liability for compensated absences at June 30, 2024 was estimated at \$301,704 and was recorded as a liability in the government-wide financial statements.

E. Limitation on School District Revenues

Wisconsin statutes limit the amount of revenues school districts may derive from general school aids and property taxes. The annual revenue increase from these sources is based on pupil count and is limited to the amount approved by legislative action unless a higher amount has been approved by a referendum. The state also placed a limit on the decrease in the annual revenue cap due to declining enrollments. The state further allows an exemption equal to 75% of the prior year unused allowable revenue.

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

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

F. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the last three years.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

G. Self-Funded Insurance Program

On July 1, 2018, the District established a self-funded dental benefit plan for its employees. The plan administrator, Health Partners (administrator), is responsible for the approval, processing, and payment of claims, after which they bill the District for reimbursement. The District is also responsible for a monthly administrative fee. The plan reports on a fiscal year ended June 30, 2024.

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

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

At June 30, 2024, the District has reported a liability of \$156,344, 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. This amount consists of claims reported to the District by the plan administrator of \$187,561 and claims which were not yet reported to either the plan administrator or the District of \$5,086. The amounts not reported to the District were determined by the plan administrator.

Changes in the claims liability for the years ended June 30, 2024, June 30, 2023 and June 30, 2022 are as follows:

Fiscal Year Ended	Claims Payable July 1	Claims and Changes in Estimates	Claim Payments	Claims Payable June 30
6/30/2022	\$ 75,782	\$ 197,276	\$ 173,960	\$ 99,098
6/30/2023	99,098	210,656	163,071	146,683
6/30/2024	146,683	208,380	198,719	156,344

H. Contingencies

The District participates in various federal and state grant programs, which are subject to program compliance audits. Accordingly, the District's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the District anticipates such amounts, if any, will be immaterial.

I. Commitments

During 2023-24 the District was committed under a contract for a roofing improvement project in the amount of \$244,875, which will be financed using District funds. As of June 30, 2024 the District has paid \$122,438 towards the project and \$122,437 is remaining.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

J. Subsequent Events

During the 2024-25 fiscal year the District entered into a right-to-use agreement with Canan Financial Services, Inc for copiers and printers. This agreement is for 60 months with monthly payments of \$2,108.

REQUIRED SUPPLEMENTARY INFORMATION

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
BUDGETARY COMPARISON SCHEDULE — GENERAL FUND
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts Original	Final	Actual	Variance With Final Budget - Positive (Negative)
REVENUES				
Local Sources:				
Property Taxes	\$ 5,273,853	\$ 5,273,853	\$ 5,273,853	\$ -
Other Local Sources	333,925	333,925	479,908	145,983
Interdistrict Sources	1,793,900	1,793,900	1,706,956	(86,944)
Intermediate Sources	36,300	36,300	47,439	11,139
State Sources	15,161,850	15,161,850	15,411,027	249,177
Federal Sources	1,404,239	1,404,239	1,338,117	(66,122)
Other Sources	24,000	24,000	62,290	38,290
Total Revenues	24,028,067	24,028,067	24,319,590	291,523
EXPENDITURES				
Instruction:				
Undifferentiated Curriculum	3,797,659	3,797,659	3,932,458	(134,799)
Regular Curriculum	4,067,658	4,067,658	4,137,925	(70,267)
Vocational Curriculum	519,342	519,342	555,005	(35,663)
Physical Curriculum	536,671	536,671	535,932	739
Special Education Curriculum	3,026,832	3,026,832	2,951,004	75,828
Co-Curricular Activities	454,926	454,926	595,703	(140,777)
Other Special Needs	293,229	293,229	145,560	147,669
Total Instruction	12,696,317	12,696,317	12,853,587	(157,270)
Support Services:				
Pupil Services	1,410,097	1,410,097	1,576,278	(166,181)
Instructional Staff Services	1,198,960	1,198,960	1,216,451	(17,491)
General Administration	719,789	719,789	667,475	52,314
School Building Administration	1,063,905	1,063,905	1,081,997	(18,092)
Business Administration	3,904,098	3,904,098	3,578,279	325,819
Central Services	42,600	42,600	37,116	5,484
Insurance and Judgments	413,000	413,000	445,984	(32,984)
Debt Service	-	-	29,701	(29,701)
Other Support Services	547,406	547,406	708,211	(160,805)
Total Support Services	9,299,855	9,299,855	9,341,492	(41,637)
Nonprogram:				
Purchased Instructional Services	1,374,200	1,374,200	1,466,027	(91,827)
Other Nonprogram	39,000	39,000	335,633	(296,633)
Total Nonprogram	1,413,200	1,413,200	1,801,660	(388,460)
Total Expenditures	23,409,372	23,409,372	23,996,739	(587,367)
EXCESS OF REVENUES OVER EXPENDITURES	618,695	618,695	322,851	(295,844)
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	(200,000)	(200,000)
NET CHANGE IN FUND BALANCE	618,695	618,695	122,851	(495,844)
Fund Balance - Beginning of Year	5,123,746	5,123,746	5,123,746	-
FUND BALANCE - END OF YEAR	<u>\$ 5,742,441</u>	<u>\$ 5,742,441</u>	<u>\$ 5,246,597</u>	<u>\$ (495,844)</u>

See accompanying Notes to Required Supplementary Information.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF
WISCONSIN RETIREMENT SYSTEM NET PENSION PLAN (ASSET) LIABILITY
LAST TEN FISCAL YEARS**

<u>Year Ending</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
12/31/2023	0.06841017 %	\$ 1,017,126	\$ 12,752,984	7.98 %	98.85 %
12/31/2022	0.06998802	3,707,757	12,476,626	29.72	95.72
12/31/2021	0.07021158	(5,659,182)	12,284,051	46.07	106.02
12/31/2020	0.06961600	(4,346,223)	11,679,673	37.21	105.26
12/31/2019	0.06900128	(2,224,916)	11,110,953	20.02	102.96
12/31/2018	0.06857587	2,439,714	10,679,993	22.84	96.45
12/31/2017	0.06787589	(2,015,315)	10,205,243	19.75	102.93
12/31/2016	0.06730521	554,756	9,750,148	5.69	99.12
12/31/2015	0.06662517	1,082,646	9,463,527	11.44	98.20
12/31/2014	0.66166530	(1,625,231)	9,297,635	17.48	102.74

See accompanying Notes to Required Supplementary Information.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
SCHEDULE OF DISTRICT'S CONTRIBUTIONS TO WISCONSIN RETIREMENT SYSTEM PENSION
PLAN
LAST TEN FISCAL YEARS**

Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/2024	\$ 878,756	\$ (878,756)	\$ -	\$ 12,787,099	6.87 %
6/30/2023	846,527	(846,527)	-	11,102,071	7.62
6/30/2022	840,432	(840,432)	-	12,548,593	6.70
6/30/2021	788,384	(788,384)	-	11,872,354	6.64
6/30/2020	727,774	(727,774)	-	11,611,758	6.27
6/30/2019	722,957	(722,957)	-	10,942,259	6.61
6/30/2018	698,229	(698,229)	-	10,363,960	6.74
6/30/2017	686,481	(686,481)	-	10,205,243	6.73
6/30/2016	650,796	(650,796)	-	9,750,148	6.67
6/30/2015	650,581	(650,581)	-	9,463,527	6.87

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

Changes of Assumptions.

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

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the post-retirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

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

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the post-retirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

See accompanying Notes to Required Supplementary Information.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
SCHEDULE OF CHANGES IN THE DISTRICT'S OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	\$ 226,849	\$ 226,849	\$ 217,326	\$ 217,142	\$ 279,715	\$ 84,938	\$ 73,222	\$ 52,486
Interest	175,845	177,980	191,063	179,548	129,461	51,466	72,149	79,378
Changes of Benefit Terms	-	-	(23,180)	-	(2,341,505)	-	-	-
Differences Between Expected and Actual Experience	-	-	181,196	-	(1,107,941)	-	339,708	(983)
Changes of Assumptions or Other Input	-	(83,927)	(290,966)	394,932	(78,496)	(90,624)	17,625	-
Benefit Payments	(369,076)	(314,318)	(298,266)	(182,554)	(215,525)	(285,001)	(249,071)	(320,269)
Net Change in Total OPEB Liability	33,618	6,584	(22,827)	609,068	(3,334,291)	(239,221)	253,633	(189,388)
Total OPEB Liability - Beginning	5,095,269	5,128,887	5,135,471	5,112,644	5,721,712	2,387,421	2,148,200	2,401,833
Total OPEB Liability - Ending (a)	<u>\$ 5,128,887</u>	<u>\$ 5,135,471</u>	<u>\$ 5,112,644</u>	<u>\$ 5,721,712</u>	<u>\$ 2,387,421</u>	<u>\$ 2,148,200</u>	<u>\$ 2,401,833</u>	<u>2,212,445</u>
Plan Fiduciary Net Position								
Contributions - Employer	\$ 379,076	\$ 324,318	\$ 338,266	\$ 192,554	\$ 225,525	\$ 295,001	\$ 278,476	\$ 327,115
Net Investment Income	13,838	4,454	6,417	8,432	8,824	8,055	7,842	8,718
Benefit Payments	(369,076)	(314,318)	(298,266)	(182,554)	(215,525)	(285,001)	(249,071)	(320,269)
Net Change in Plan Fiduciary Net Position	23,838	14,454	46,417	18,432	18,824	18,055	37,247	15,564
Plan Fiduciary Net Position - Beginning	390,933	414,771	429,225	475,642	494,074	512,898	530,953	568,200
Plan Fiduciary Net Position - Ending (b)	<u>\$ 414,771</u>	<u>\$ 429,225</u>	<u>\$ 475,642</u>	<u>\$ 494,074</u>	<u>\$ 512,898</u>	<u>\$ 530,953</u>	<u>\$ 568,200</u>	<u>\$ 583,764</u>
District's Net OPEB Liability - Ending (a) - (b)	<u>\$ 4,714,116</u>	<u>\$ 4,706,246</u>	<u>\$ 4,637,002</u>	<u>\$ 5,227,638</u>	<u>\$ 1,874,523</u>	<u>\$ 1,617,247</u>	<u>\$ 1,833,633</u>	<u>\$ 1,628,681</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	8.09%	8.36%	9.30%	8.64%	21.48%	24.72%	23.66%	26.39%
Covered Payroll	\$ 3,825,967	\$ 4,000,767	\$ 8,640,522	8,640,522	10,945,132	10,945,132	12,031,185	12,031,185
District's Net OPEB Liability as a Percentage of Covered Payroll	123.21%	117.63%	53.67%	60.50%	17.13%	14.78%	15.24%	13.54%

See accompanying Notes to Required Supplementary Information.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
SCHEDULE OF DISTRICT'S CONTRIBUTIONS TO OPEB PLAN
LAST TEN FISCAL YEARS
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution (ADC)	\$ 490,570	\$ 490,570	\$ 471,557	\$ 471,557	\$ 215,871	\$ 292,861	\$ 282,538	\$ 282,538
Contributions in Relation to the Actuarially Determined Contribution	379,076	324,318	338,266	192,554	225,525	295,001	278,476	327,115
Contribution Deficiency (Excess)	<u>\$ 111,494</u>	<u>\$ 166,252</u>	<u>\$ 133,291</u>	<u>\$ 279,003</u>	<u>\$ (9,654)</u>	<u>\$ (2,140)</u>	<u>\$ 4,062</u>	<u>\$ (44,577)</u>
Covered Payroll	\$ 3,825,967	\$ 4,000,767	\$ 8,640,522	8,640,522	10,945,132	10,945,132	12,031,185	12,031,185
Contributions as a Percentage of Covered Payroll	9.91%	8.11%	3.91%	2.23%	2.06%	2.70%	2.31%	2.72%

Notes to Schedule

Valuation Date: June 30, 2022

Measurement Date: June 30, 2024

Changes in assumptions since the prior year: All assumptions and methods remain unchanged from the actuarial valuation performed as of June 30, 2022.

See accompanying Notes to Required Supplementary Information.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
SCHEDULE OF DISTRICT'S INVESTMENT RETURNS ON OPEB PLAN ASSETS
LAST TEN FISCAL YEARS
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

Annual Money-Weighted Rate of Return,
Net of Investment Expense

Year

2017	6.83 %
2018	2.05 %
2019	1.50 %
2020	1.40 %
2021	1.79 %
2022	1.57 %
2023	1.41 %
2024	1.49 %

See accompanying Notes to Required Supplementary Information.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
SCHEDULE OF CHANGES IN THE DISTRICT'S SINGLE EMPLOYER PENSION
LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

Measurement Date June 30,	2017	2018	2019	2020	2021	2022	2023	2024
<u>Total Pension Liability</u>								
Service Cost	\$ 17,896	\$ 17,896	\$ 17,121	\$ 36,993	\$ 49,190	\$ 17,744	\$ 14,555	\$ 11,833
Interest	16,603	16,640	16,697	37,817	26,525	13,923	18,322	19,451
Changes of Benefit Terms	-	-	-	-	(567,001)	-	-	-
Differences Between Expected and Actual Experience	-	-	176,522	-	29,597	-	44,181	60,888
Changes of Assumptions or Other Input	-	(6,590)	495,515	98,652	(6,784)	(40,027)	(11,447)	(5,327)
Benefit Payments	(32,717)	(34,157)	(81,335)	(79,785)	(82,487)	(69,279)	(101,474)	(101,474)
Net Changes	1,782	(6,211)	624,520	93,677	(550,960)	(77,639)	(35,863)	(14,629)
Total Pension Liability - Beginning	481,781	483,563	477,352	1,101,872	1,195,549	644,589	566,950	531,087
Total Pension Liability - Ending	\$ 483,563	\$ 477,352	\$ 1,101,872	\$ 1,195,549	\$ 644,589	\$ 566,950	\$ 531,087	\$ 516,458
Covered Payroll	\$ 996,469	\$ 996,469	\$ 3,525,124	\$ 3,525,124	\$ 1,393,407	\$ 1,393,407	\$ 1,069,900	\$ 1,069,900
Total Pension Liability as a Percentage of Covered Payroll	48.53%	47.90%	31.26%	33.92%	46.26%	40.69%	49.64%	48.27%

Note:

No assets are accumulated in a trust that meets all of the following criteria of GASBS No. 73, paragraph 4:

- Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.
- Plan assets must be dedicated to providing pensions to plan members in accordance with the benefit terms.
- Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the plan administrator, and plan members.

The discount rate was changed from 4.00% in the prior year to 4.21% in the current year.

The expected long-term investment return was changed from 4.00% in the prior year to 4.21% in the current year.

See accompanying Notes to Required Supplementary Information.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024**

BUDGETARY INFORMATION

GASB Statement No. 34 requires the presentation of budgetary comparison schedules for the general fund and for each major special revenue fund. Budgetary information for the general fund is derived from the District's annual operating budget.

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 District's legally adopted budget and budgetary expenditure control is exercised at the function level in the general fund and at the fund level for all other funds. Reported budget amounts are as originally adopted or as amended by School Board resolution.

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

- Based upon requests from District staff, District administration recommends budget proposals to the School Board.
- The School Board prepares a proposed budget including proposed expenditures and the means of financing them for the July 1 through June 30 fiscal year.
- A public notice is published containing a summary of the budget and identifying the time and place where public hearing will be held on the proposed budget.
- Pursuant to the public budget hearing, the School Board may make alterations to the purposed budget.
- Once the School Board (following the public hearing) adopts the budget, no changes may be made in the amount of the tax to be levied or in the amount of the various appropriations and the purposes of such appropriations unless authorized by a 2/3 vote of the entire School Board.
- Appropriations lapse at year-end unless authorized as a carryover by the School Board.

Budget amounts in the financial statements include both the original adopted budget and the final budget.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024**

EXCESS OF EXPENDITURES OVER BUDGET

Comparisons of actual revenues and expenditures to budgeted amounts for the District's general fund is presented as required supplementary information following the basic financial statements. Expenditures in excess of budgeted amounts are shown below.

	Final Budgeted Amounts	Actual	Variance With Final Budget - Positive (Negative)
EXPENDITURES			
Instruction:			
Undifferentiated Curriculum	\$ 3,797,659	\$ 3,932,458	\$ (134,799)
Regular Curriculum	4,067,658	4,137,925	(70,267)
Vocational Curriculum	519,342	555,005	(35,663)
Co-Curricular Activities	454,926	595,703	(140,777)
Support Services:			
Pupil Services	1,410,097	1,576,278	(166,181)
Instructional Staff Services	1,198,960	1,216,451	(17,491)
School Building Administration	1,063,905	1,081,997	(18,092)
Insurance and Judgments	413,000	445,984	(32,984)
Debt Service	-	29,701	(29,701)
Other Support Services	547,406	708,211	(160,805)
Nonprogram:			
Purchased Instructional Services	1,374,200	1,466,027	(91,827)
Other Nonprogram	39,000	335,633	(296,633)

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
COMBINING BUDGETARY COMPARISON SCHEDULE
FUND 10 AND FUND 27
YEAR ENDED JUNE 30, 2024**

	Original Budgets				Final Budgets				Actuals			
	Fund 10 General	Fund 27 Special	Elimination	Totals	Fund 10 General	Fund 27 Special	Elimination	Totals	Fund 10 General	Fund 27 Special	Elimination	Totals
	Fund	Education Fund	Adjustments		Fund	Education Fund	Adjustments		Fund	Education Fund	Adjustments	
REVENUES												
Local Sources:												
Property Taxes	\$ 5,273,853	\$ -	\$ -	\$ 5,273,853	\$ 5,273,853	\$ -	\$ -	\$ 5,273,853	\$ 5,273,853	\$ -	\$ -	\$ 5,273,853
Other Local Sources	333,925	-	-	333,925	333,925	-	-	333,925	479,908	-	-	479,908
Interdistrict Sources	1,730,000	63,900	-	1,793,900	1,730,000	63,900	-	1,793,900	1,655,067	51,889	-	1,706,956
Intermediate Sources	32,300	4,000	-	36,300	32,300	4,000	-	36,300	37,320	10,119	-	47,439
State Sources	14,329,850	832,000	-	15,161,850	14,329,850	832,000	-	15,161,850	14,386,975	1,024,052	-	15,411,027
Federal Sources	955,922	448,317	-	1,404,239	955,922	448,317	-	1,404,239	921,764	416,353	-	1,338,117
Other Sources	24,000	-	-	24,000	24,000	-	-	24,000	62,290	-	-	62,290
Total Revenues	22,679,850	1,348,217	-	24,028,067	22,679,850	1,348,217	-	24,028,067	22,817,177	1,502,413	-	24,319,590
EXPENDITURES												
Instruction:												
Undifferentiated Curriculum	3,797,659	-	-	3,797,659	3,797,659	-	-	3,797,659	3,932,458	-	-	3,932,458
Regular Curriculum	4,067,658	-	-	4,067,658	4,067,658	-	-	4,067,658	4,137,925	-	-	4,137,925
Vocational Curriculum	519,342	-	-	519,342	519,342	-	-	519,342	555,005	-	-	555,005
Physical Curriculum	536,671	-	-	536,671	536,671	-	-	536,671	535,932	-	-	535,932
Special Education Curriculum	-	3,026,832	-	3,026,832	-	3,026,832	-	3,026,832	-	2,951,004	-	2,951,004
Co-Curricular Activities	454,926	-	-	454,926	454,926	-	-	454,926	595,703	-	-	595,703
Other Special Needs	292,657	572	-	293,229	292,657	572	-	293,229	145,560	-	-	145,560
Total Instruction	9,668,913	3,027,404	-	12,696,317	9,668,913	3,027,404	-	12,696,317	9,902,583	2,951,004	-	12,853,587
Support Services:												
Pupil Services	898,878	511,219	-	1,410,097	898,878	511,219	-	1,410,097	1,020,580	555,698	-	1,576,278
Instructional Staff Services	970,581	228,379	-	1,198,960	970,581	228,379	-	1,198,960	967,878	248,573	-	1,216,451
General Administration	719,789	-	-	719,789	719,789	-	-	719,789	667,475	-	-	667,475
School Building Administration	1,063,905	-	-	1,063,905	1,063,905	-	-	1,063,905	1,081,997	-	-	1,081,997
Business Administration	3,848,821	55,277	-	3,904,098	3,848,821	55,277	-	3,904,098	3,511,936	66,343	-	3,578,279
Central Services	42,600	-	-	42,600	42,600	-	-	42,600	36,651	465	-	37,116
Insurance and Judgments	413,000	-	-	413,000	413,000	-	-	413,000	445,984	-	-	445,984
Debt Service	-	-	-	-	-	-	-	-	29,701	-	-	29,701
Other Support Services	547,406	-	-	547,406	547,406	-	-	547,406	708,211	-	-	708,211
Total Support Services	8,504,980	794,875	-	9,299,855	8,504,980	794,875	-	9,299,855	8,470,413	871,079	-	9,341,492
Nonprogram:												
Purchased Instructional Services	1,314,200	60,000	-	1,374,200	1,314,200	60,000	-	1,374,200	1,400,556	65,471	-	1,466,027
Other Nonprogram	17,000	22,000	-	39,000	17,000	22,000	-	39,000	325,316	10,317	-	335,633
Total Nonprogram	1,331,200	82,000	-	1,413,200	1,331,200	82,000	-	1,413,200	1,725,872	75,788	-	1,801,660
Total Expenditures	19,505,093	3,904,279	-	23,409,372	19,505,093	3,904,279	-	23,409,372	20,098,868	3,897,871	-	23,996,739
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,174,757	(2,556,062)	-	618,695	3,174,757	(2,556,062)	-	618,695	2,718,309	(2,395,458)	-	322,851
OTHER FINANCING SOURCES (USES)												
Transfers In	-	2,556,062	(2,556,062)	-	-	2,556,062	(2,556,062)	-	-	2,395,458	(2,395,458)	-
Transfers Out	-	-	-	-	-	-	-	-	(2,595,458)	-	2,395,458	(200,000)
Total Other Financing Sources (Uses)	-	2,556,062	(2,556,062)	-	-	2,556,062	(2,556,062)	-	(2,595,458)	2,395,458	-	(200,000)
NET CHANGE IN FUND BALANCE	3,174,757	-	(2,556,062)	618,695	3,174,757	-	(2,556,062)	618,695	122,851	-	-	122,851
Fund Balance - Beginning of Year	5,123,746	-	-	5,123,746	5,123,746	-	-	5,123,746	5,123,746	-	-	5,123,746
FUND BALANCE - END OF YEAR	<u>\$ 8,298,503</u>	<u>\$ -</u>	<u>\$ (2,556,062)</u>	<u>\$ 5,742,441</u>	<u>\$ 8,298,503</u>	<u>\$ -</u>	<u>\$ (2,556,062)</u>	<u>\$ 5,742,441</u>	<u>\$ 5,246,597</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,246,597</u>

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
FUND 10
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Local Sources:				
Property Taxes	\$ 5,273,853	\$ 5,273,853	\$ 5,273,853	\$ -
Other Local Sources	333,925	333,925	479,908	145,983
Interdistrict Sources	1,730,000	1,730,000	1,655,067	(74,933)
Intermediate Sources	32,300	32,300	37,320	5,020
State Sources	14,329,850	14,329,850	14,386,975	57,125
Federal Sources	955,922	955,922	921,764	(34,158)
Other Sources	24,000	24,000	62,290	38,290
Total Revenues	22,679,850	22,679,850	22,817,177	137,327
EXPENDITURES				
Instruction:				
Undifferentiated Curriculum	3,797,659	3,797,659	3,932,458	(134,799)
Regular Curriculum	4,067,658	4,067,658	4,137,925	(70,267)
Vocational Curriculum	519,342	519,342	555,005	(35,663)
Physical Curriculum	536,671	536,671	535,932	739
Special Education Curriculum				
Co-Curricular Activities	454,926	454,926	595,703	(140,777)
Other Special Needs	292,657	292,657	145,560	147,097
Total Instruction	9,668,913	9,668,913	9,902,583	(233,670)
Support Services:				
Pupil Services	898,878	898,878	1,020,580	(121,702)
Instructional Staff Services	970,581	970,581	967,878	2,703
General Administration	719,789	719,789	667,475	52,314
School Building Administration	1,063,905	1,063,905	1,081,997	(18,092)
Business Administration	3,848,821	3,848,821	3,511,936	336,885
Central Services	42,600	42,600	36,651	5,949
Insurance and Judgments	413,000	413,000	445,984	(32,984)
Debt Service	-	-	29,701	(29,701)
Other Support Services	547,406	547,406	708,211	(160,805)
Total Support Services	8,504,980	8,504,980	8,470,413	34,567
Nonprogram:				
Purchased Instructional Services	1,314,200	1,314,200	1,400,556	(86,356)
Other Nonprogram	17,000	17,000	325,316	(308,316)
Total Nonprogram	1,331,200	1,331,200	1,725,872	(394,672)
Total Expenditures	19,505,093	19,505,093	20,098,868	(593,775)
EXCESS OF REVENUES OVER EXPENDITURES	3,174,757	3,174,757	2,718,309	(456,448)
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	(2,595,458)	(2,595,458)
NET CHANGE IN FUND BALANCE	3,174,757	3,174,757	122,851	(3,051,906)
Fund Balance - Beginning of Year	5,123,746	5,123,746	5,123,746	-
FUND BALANCE - END OF YEAR	<u>\$ 8,298,503</u>	<u>\$ 8,298,503</u>	<u>\$ 5,246,597</u>	<u>\$ (3,051,906)</u>

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
FUND 27
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Sources:				
Interdistrict Sources	\$ 63,900	\$ 63,900	\$ 51,889	\$ (12,011)
Intermediate Sources	4,000	4,000	10,119	6,119
State Sources	832,000	832,000	1,024,052	192,052
Federal Sources	448,317	448,317	416,353	(31,964)
Total Revenues	1,348,217	1,348,217	1,502,413	154,196
EXPENDITURES				
Instruction:				
Special Education Curriculum	3,026,832	3,026,832	2,951,004	75,828
Other Special Needs	572	572	-	572
Total Instruction	3,027,404	3,027,404	2,951,004	76,400
Support Services:				
Pupil Services	511,219	511,219	555,698	(44,479)
Instructional Staff Services	228,379	228,379	248,573	(20,194)
Business Administration	55,277	55,277	66,343	(11,066)
Central Services	-	-	465	(465)
Total Support Services	794,875	794,875	871,079	(76,204)
Nonprogram:				
Purchased Instructional Services	60,000	60,000	65,471	(5,471)
Other Nonprogram	22,000	22,000	10,317	11,683
Total Nonprogram	82,000	82,000	75,788	6,212
Total Expenditures	3,904,279	3,904,279	3,897,871	6,408
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,556,062)	(2,556,062)	(2,395,458)	160,604
OTHER FINANCING SOURCES				
Transfers In	2,556,062	2,556,062	2,395,458	(160,604)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ -	\$ -

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2024**

	Special Revenue Funds					Capital	Total
			Community Services			Improvements	Nonmajor
	Education	Food	Adult			Trust	Governmental
	Trust	Service	Education	Day Care	Recreation	Fund	Funds
ASSETS							
Cash and Investments	\$ 499,579	\$ 608,368	\$ -	\$ 226,786	\$ -	\$ 581,084	\$ 1,915,817
Accounts Receivable	362	-	-	386	1,129	-	1,877
Due from Other Governmental Funds	-	-	-	-	-	200,000	200,000
Total Assets	<u>\$ 499,941</u>	<u>\$ 608,368</u>	<u>\$ -</u>	<u>\$ 227,172</u>	<u>\$ 1,129</u>	<u>\$ 781,084</u>	<u>\$ 2,117,694</u>
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts Payable	\$ 29,022	\$ 6	\$ 2,981	\$ 9,137	\$ 2,358	\$ 122,437	\$ 165,941
Due to Other Governmental Funds	-	-	65,764	-	65,819	-	131,583
Unearned Revenue	-	22,206	1,166	-	-	-	23,372
Total Liabilities	<u>29,022</u>	<u>22,212</u>	<u>69,911</u>	<u>9,137</u>	<u>68,177</u>	<u>122,437</u>	<u>320,896</u>
FUND BALANCES							
Restricted	470,919	586,156	-	218,035	-	658,647	1,933,757
Unassigned	-	-	(69,911)	-	(67,048)	-	(136,959)
Total Fund Balances	<u>470,919</u>	<u>586,156</u>	<u>(69,911)</u>	<u>218,035</u>	<u>(67,048)</u>	<u>658,647</u>	<u>1,796,798</u>
Total Liabilities and Fund Balances	<u>\$ 499,941</u>	<u>\$ 608,368</u>	<u>\$ -</u>	<u>\$ 227,172</u>	<u>\$ 1,129</u>	<u>\$ 781,084</u>	<u>\$ 2,117,694</u>

BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES
YEAR END JUNE 30, 2024

	Special Revenue Funds					Capital	Total
	Community Services					Improvements	Nonmajor
	Education	Food	Adult	Day Care	Recreation	Trust	Governmental
	Trust	Service	Education			Fund	Funds
REVENUES							
Local Sources:							
Property Taxes	\$ -	\$ -	\$ 50,000	\$ -	\$ 200,000	\$ -	\$ 250,000
Other Local Sources	437,080	507,224	42,419	722,390	88,976	30,923	1,829,012
State Sources	-	10,572	-	-	-	-	10,572
Federal Sources	-	443,538	-	-	-	-	443,538
Other Sources	15,049	309	-	-	-	-	15,358
Total Revenues	452,129	961,643	92,419	722,390	288,976	30,923	2,548,480
EXPENDITURES							
Instruction:							
Regular Instruction	28,875	-	-	-	-	-	28,875
Special Instruction	4,729	-	-	-	-	-	4,729
Other Instruction	344,543	-	-	-	-	-	344,543
Support Services:							
Instructional Staff Services	300	-	-	-	-	-	300
Operation and Maintenance of Plant	153,753	-	-	-	-	495,263	649,016
Food Service	-	893,119	-	-	-	-	893,119
Other Support Services	-	-	15,049	-	-	-	15,049
Community Services	-	-	138,154	572,621	276,703	-	987,478
Total Expenditures	532,200	893,119	153,203	572,621	276,703	495,263	2,923,109
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(80,071)	68,524	(60,784)	149,769	12,273	(464,340)	(374,629)
OTHER FINANCING SOURCES (USES)							
Transfers In	-	4,468	-	-	-	200,000	204,468
Transfers Out	(4,468)	-	-	(38,437)	-	-	(42,905)
Total Other Financing Sources (Uses)	(4,468)	4,468	-	(38,437)	-	200,000	161,563
NET CHANGE IN FUND BALANCES	(84,539)	72,992	(60,784)	111,332	12,273	(264,340)	(213,066)
Fund Balances - Beginning of Year	555,458	513,164	(9,127)	106,703	(79,321)	922,987	2,009,864
FUND BALANCES - END OF YEAR	\$ 470,919	\$ 586,156	\$ (69,911)	\$ 218,035	\$ (67,048)	\$ 658,647	\$ 1,796,798

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
DEBT SERVICE FUND
COMBINING BALANCE SHEET
JUNE 30, 2024**

	Referendum Debt Service	Nonreferendum Debt Service	Total
ASSETS			
Cash and Investments	<u>\$ 278,030</u>	<u>\$ 24,355</u>	<u>\$ 302,385</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES	\$ -	\$ -	\$ -
FUND BALANCES			
Restricted	<u>278,030</u>	<u>24,355</u>	<u>302,385</u>
Total Liabilities and Fund Balances	<u>\$ 278,030</u>	<u>\$ 24,355</u>	<u>\$ 302,385</u>

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
DEBT SERVICE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCES
YEAR ENDED JUNE 30, 2024**

	Referendum Debt Service	Nonreferendum Debt Service	Total
REVENUES			
Local Sources:			
Property Taxes	\$ 2,100,009	\$ 433,869	\$ 2,533,878
EXPENDITURES			
Debt Service:			
Principal Retirement	1,560,000	408,437	1,968,437
Interest and Fiscal Fees	564,029	65,720	629,749
Total Expenditures	<u>2,124,029</u>	<u>474,157</u>	<u>2,598,186</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(24,020)	(40,288)	(64,308)
OTHER FINANCING SOURCES (USES)			
Transfers In	<u>-</u>	<u>38,437</u>	<u>38,437</u>
NET CHANGE IN FUND BALANCES	(24,020)	(1,851)	(25,871)
Fund Balances - Beginning of Year	<u>302,050</u>	<u>26,206</u>	<u>328,256</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 278,030</u></u>	<u><u>\$ 24,355</u></u>	<u><u>\$ 302,385</u></u>

SINGLE AUDIT SECTION

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Federal Grantor/ Pass-Through Grantor/Program or Cluster	Federal Assistance Listing Number	Pass-Through Entity	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Accrued Receivable (Unearned Revenue) July 1, 2023	Total Federal Expenditures	Grant Reimburse- ments	Accrued Receivable (Unearned Revenue) June 30, 2024
<u>U.S. Department of Agriculture</u>								
Wisconsin Department of Public Instruction:								
Child Nutrition Cluster:								
School Breakfast Program	10.553	WI DPI	2024-550231-DPI-SB-546	\$ -	\$ -	\$ 33,412	\$ 33,412	\$ -
Noncash USDA Commodities Program	10.555	WI DPI	A001-00000-550231	-	-	90,965	90,965	-
National School Lunch Program	10.555	WI DPI	2024-550231-DPI-NSL-547	-	-	319,162	319,162	-
Total Child Nutrition Cluster				-	-	443,539	443,539	-
Total U.S. Department of Agriculture				-	-	443,539	443,539	-
<u>U.S. Department of Education</u>								
Wisconsin Department of Public Instruction:								
ESEA Title I-A Basic Grant	84.010	WI DPI	2024-550231-DPI-TI-A-141	-	88,636	155,703	197,339	47,000
Special Education Cluster:								
Special Education - Grants to States (IDEA Flow Through)	84.027 *	WI DPI	2024-550231-DPI-FLOW-341	-	200,336	403,910	476,517	127,729
Special Education Preschool Grants (IDEA Preschool Entitlement)	84.173 *	WI DPI	2024-550231-DPI-PRESCH-347	-	12,998	23,435	16,956	19,477
Total Special Education Cluster				-	213,334	427,345	493,473	147,206
<u>U.S. Department of Education (Continued)</u>								
Wisconsin Department of Public Instruction:								
Title II-A Supporting Effective Instruction State Grants	84.367	WI DPI	2024-550231-DPI-TIIA-365	-	7,372	40,471	21,562	26,281
Title IV-A Student Support and Academic Enrichment Grant	84.424	WI DPI	2024-550231-DPI-TIVA-381	-	-	10,148	-	10,148
Education Stabilization Fund:								
COVID 19 - Elementary and Secondary School Emergency Relief Fund (ESSER III)	84.425U *	WI DPI	2022-550231-DPI-ESSERFIII-165	-	30,000	483,553	254,822	258,731
Title III Consortium Rebate	84.365	CESA #11	C11-550231-345	-	-	1,411	-	1,411
Total Department of Education				-	339,342	1,118,631	967,196	490,777
<u>Federal Communications Commission</u>								
COVID 19 - Emergency Connectivity Fund Program	32.009	Direct Aid	N/A	-	-	55,019	55,019	-
<u>U.S. Department of Health and Human Services</u>								
Wisconsin Department of Health Services:								
Public Health Emergency Response	93.354	CESA #11	N/A	-	12,699	601	12,699	601
Medical Assistance Program - Medicaid Cluster	93.778	WI DHS	N/A	-	8,464	151,851	160,315	-
Total Department of Health and Human Services					21,163	152,452	173,014	601
Total Expenditures of Federal Awards				\$ -	\$ 360,505	\$ 1,769,641	\$ 1,638,768	\$ 491,378

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

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2024**

Award Agency/Pass-Through Agency/Award Description	State I.D. Number	State Grant Number	Accrued Receivable (Unearned Revenue) July 1, 2023	Expenditures	State Reimburse- ments	Accrued Receivable (Unearned Revenue) June 30, 2024
<u>Wisconsin Department of Public Instruction</u>						
Major Programs:						
General Equalization	255.201	550231-116	\$ -	\$ 12,852,634	\$ 12,852,634	\$ -
Per Pupil Aid	255.945	550231-113	-	1,201,298	1,201,298	-
Total Major Programs			-	14,053,932	14,053,932	-
Nonmajor Programs:						
Handicapped Pupils and School Age Parents:	255.101	550231-101				-
Internal District Programs			-	1,014,167	1,014,167	-
Participant in Package Program at CESA No. 11			-	8,619	8,619	-
Total Handicapped Pupils and School Age Parents			-	1,022,786	1,022,786	-
State Lunch	255.102	550231-107	-	8,822	8,822	-
Common School Fund	255.103	550231-104	-	113,009	113,009	-
Pupil Transportation	255.107	550231-102	-	68,029	68,029	-
Aid for School Mental Health Programs	255.227	550231-176	-	11,379	11,379	-
School Based Mental Health Programs	255.297	550231-177	79,585	53,429	133,014	-
School Breakfast Program	255.344	550231-108	-	1,750	1,750	-
Early College Credit Program	255.445	550231-178	-	949	949	-
Educator Effective Evaluation Systems Grant	255.940	550231-171	-	10,640	-	10,640
Career and Technical Education Incentive Grant	255.950	550231-152	-	17,129	17,129	-
Assessments of Reading Readiness	255.956	550231-166	-	6,328	6,328	-
Special Education Transition Incentive Grant	255.960	550231-168	-	9,885	9,885	-
<u>Wisconsin Department of Workforce Development</u>						
Nonmajor Program:						
Local Youth Apprenticeship Grant	445.107	CESA #11	-	16,985	-	16,985
<u>Wisconsin Department of Justice</u>						
Nonmajor Program:						
School Safety Grant	455.206	SSI-13474 & 14069	-	3,942	3,942	-
Total Nonmajor Programs			79,585	1,345,062	1,397,022	27,625
Total State Financial Assistance			\$ 79,585	\$ 15,398,994	\$ 15,450,954	\$ 27,625

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

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
NOTES TO SCHEDULES 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 present the expenditures of all federal financial assistance programs and state financial assistance of the District subject to inclusion under the federal and state single audit requirements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The reporting entity is defined in Note 1 to the financial statements. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines*. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position of the District.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the modified accrual basis of accounting, which is described in Note 1 to the District's financial statements.

NOTE 3 FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed for the USDA Commodities Program (ALN #10.555).

NOTE 4 INDIRECT COSTS

The District has not elected to use the 10% de minimis indirect cost rate.



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

Board of Education
Baldwin-Woodville Area School District
Baldwin, 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 Baldwin-Woodville Area School District (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 10, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified 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 material weaknesses.

Report on Compliance and Other Matters

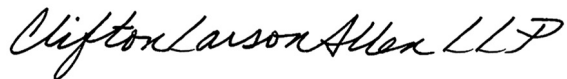
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material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

Baldwin-Woodville Area School District's Response to Findings

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Hudson, Wisconsin
February 10, 2025



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

Board of Education
Baldwin-Woodville Area School District
Baldwin, Wisconsin

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

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

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

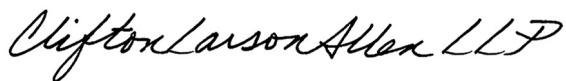
Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or 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 or 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 or 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 the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen

Hudson, Wisconsin
February 10, 2025

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

SECTION I: SUMMARY OF AUDITORS' RESULTS

Financial Statements

- | | | | |
|--|-----------------------|--------------------------------|--|
| 1. Type of auditors' report issued: | Unmodified | | |
| 2. Internal control over financial reporting: | | | |
| * Material weakness(es) identified? | <u> X </u> Yes | <u> </u> No | |
| * Significant deficiency(ies) identified? | <u> </u> Yes | <u> X </u> None Reported | |
| 3. Noncompliance material to financial statements noted? | <u> </u> Yes | <u> X </u> No | |

Federal Awards

- | | | | |
|---|-----------------------|--------------------------------|--|
| 1. Internal control over major federal programs: | | | |
| * Material weakness(es) identified? | <u> </u> Yes | <u> X </u> No | |
| * Significant deficiency(es) identified? | <u> </u> Yes | <u> X </u> None Reported | |
| 2. Type of auditors' report issued on compliance for major federal programs: | Unmodified | | |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | <u> </u> Yes | <u> X </u> No | |

Identification of Major Federal Programs

Assistance Listing Number(s)

Name of Federal Program or Cluster

84.027, 84.173
84.425U

Special Education Cluster
COVID-19 Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee?	<u> </u> Yes	<u> X </u> No
--	-----------------------	---------------------

State Financial Assistance

- | | | | |
|--|-----------------------|--------------------------------|--|
| 1. Internal control over state projects: | | | |
| * Material weakness(es) identified? | <u> </u> Yes | <u> X </u> No | |
| * Significant deficiency(es) identified that are not considered to be material weakness(es)? | <u> </u> Yes | <u> X </u> None Reported | |
| 2. Type of auditors' report issued on compliance for state projects: | Unmodified | | |
| 3. Any audit findings disclosed that are required to be reported in accordance with <i>State Single Audit Guidelines</i> ? | <u> </u> Yes | <u> X </u> No | |

Identification of Major State Projects

State I.D. Number(s)

Name of State Project

255.201
255.945

General Equalization Aids
Per Pupil Aid

Dollar threshold used to distinguish between Type A and Type B programs: \$ 461,970

Auditee qualified as low-risk auditee?	<u> </u> Yes	<u> X </u> No
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**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

SECTION I: SUMMARY OF AUDITORS' RESULTS

Other Issues

- | | | | | | |
|----|---|-------|-----|---------------|----|
| 1. | Does the auditors' report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? | _____ | Yes | _____ X _____ | No |
| 2. | Does the auditors' report show audit issues (i.e., material noncompliance, nonmaterial noncompliance, questioned costs, material weaknesses, significant deficiencies, management letter comments, excess revenue or excess reserve) related to grants or contracts with funding agencies that require audits to be in accordance with the State Single Audit Guidelines: | | | | |
| | Department of Public Instruction | _____ | Yes | _____ X _____ | No |
| | Department of Workforce Development | _____ | Yes | _____ X _____ | No |
| | Department of Justice | _____ | Yes | _____ X _____ | No |
| 3. | Was a management letter or other document conveying audit comments issued as a result of this letter? | _____ | Yes | _____ X _____ | No |

4. Name and Signature of Principal


Brock J. Geyen, CPA

5. Date of Report

February 10, 2025

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Section II – Financial Statement Findings

FINDING: 2024-001 Limited Segregation of Duties

Type of Finding: Material weakness in internal control over financial reporting.

Condition: Available staff may preclude a proper separation of duties to assure adequate internal control.

Criteria or Specific Requirement: Generally, a system of internal control contemplates separation of duties such that no individual has responsibility to execute a transaction, have physical access to the related assets, and have responsibility or authority to record the transaction.

Effect: The potential exists, due to the lack of segregation of duties, that a financial statement misstatement or misappropriation of assets caused by error or fraud may not be detected or prevented by District staff.

Cause: The condition is due to limited staff available.

Repeat Finding: The finding is a repeat of a finding in the immediately prior year. Prior year finding number was 2023-001.

Recommendation: The District should continue to evaluate its staffing in order to segregate incompatible duties whenever possible.

Views of Responsible Officials and Planned Corrective Actions: The District will continue to work to achieve segregation of duties whenever cost effective. The District's Superintendent is the official responsible for ensuring corrective action of the deficiency.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Section II – Financial Statement Findings (Continued)

FINDING: 2024-002 Material Audit Adjustments

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: The audit firm proposed and the District posted to its general ledger accounts journal entries for correcting certain misstatements.

Criteria or Specific Requirement: The District should have controls in place to prevent or detect a material misstatement in the financial statements in a timely manner.

Effect: The financial statements of the District may include inaccurate information not detected or prevented by District staff.

Cause: The District has not established controls to ensure that all accounts are adjusted to their appropriate year end balances in accordance with GAAP.

Repeat Finding: The finding is a repeat of a finding in the immediately prior year. Prior year finding number was 2023-002.

Recommendation: The District should continue to evaluate its internal control processes to determine if additional internal control procedures should be implemented to ensure that accounts are adjusted to their appropriate year end balances in accordance with GAAP.

Views of Responsible Officials and Planned Corrective Actions: The District will continue to rely upon the audit firm to propose audit adjustments necessary to adjust accounts in accordance with GAAP. Management will review, approve and accept all audit entries prior to posting to the District's finance system. The District's Superintendent is the official responsible for ensuring corrective action of the deficiency.

**BALDWIN-WOODVILLE AREA SCHOOL DISTRICT
BALDWIN, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

Section IV – Findings and Questioned Costs – Major State Financial Assistance Programs

Our audit did not disclose any matters required to be reported in accordance with *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

Section V – Findings and Questioned Costs – State General Requirements

Our audit did not disclose any matters required to be reported in accordance with Wisconsin Public School District Audit Manual.

