

**WAUNAKEE COMMUNITY SCHOOL DISTRICT
BOARD OF EDUCATION BUDGET COMMITTEE**

Monday, January 5, 2026

7:30 AM

Waunakee Community School District
905 Bethel Circle
Waunakee, WI 53597

Members of the public may attend Board of Education meetings in-person, and will be asked to check in with District personnel when you arrive.

Public comments will be limited to 3 minutes. The Board will allow 30 Minutes for public comments.

Public comments may be sent to Rebecca McDonough at district_administrator@waunakee.k12.wi.us up to one hour before the start of the Board meeting. All comments will be reviewed by the Board members. Emailed comments will be reviewed by the board but not read out loud. Emailed comments sent during any part of the board meeting (Board Development, Closed session, Open session) will be forwarded to the board but may or may not be reviewed by the board until after the board adjourns. Comments must include the commentator's name, address, and must identify their connection to the District (if any) and any group they are representing in order to be considered by the Board.

If you would like to address the Board in-person during the public comments section of the meeting, you will be greeted in the lobby of the building, asked to check in with District personnel when you arrive so that you can be recognized and address the Board when your name is called.

A recording of the meeting will be posted on the District webpage within 24 hours of the meeting time.

AGENDA

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF AGENDA AND ADDITIONS

A motion will be necessary to approve the agenda as presented (or) with changes as recommended.

IV. PUBLIC COMMENTS

Individuals may use this time to comment on any items listed as part of the meeting agenda. A copy of Board Policy 187 —Public Participation at Board Meetings is enclosed for your reference. Past practice has allowed 30 minutes for this section of the agenda.

V. 2025-2026 BUDGET

A. End of the Year Projections

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The purpose of this agenda item is to review the projected end of the year balance for fund 10. Attached please find a slide from the October 30, 2025, special board meeting.

Administration will review this slide and potential scenarios for the end of the year balance.

There have been recent discussions on the special ed categorical aid reimbursement rate. The DPI is making payments based on a 35% reimbursement level. We budgeted a 40% reimbursement level while the state budget estimated a 42% reimbursement level. Our budget planning model estimates 38.54%. Audited expenses for 24–25 were \$11,249,797. We budgeted \$4,225,000, 35% of our audited expenses would be \$3,930,000, 38.54% would be \$4,336,124. We will continue to monitor this topic as monthly payments are made by the DPI.

B. Update on Financial Plan / Property Tax Levy 5

The purpose of this agenda item is to provide an update on the financial plan related to the November 2022 referendum. Attached please find two slides relating to the 2025-2026 property tax levy. Administration will review these slides and will provide an update to the committee on the discussions that are taking place with our financial advisors. We intend to present financial plans to the committee in February.

C. 2024-25 Final Audit Report 7

The purpose of this agenda item is to review of the 24-25 audit report. Administration is requesting approval of the 24-25 audit at the January regular board meeting. Attached please find the audit report and the auditors' letter to the school board.

VI. **2026-2027 PLANNING**

A. High-Level Budget Planning 84

The purpose of this agenda item is to provide a high-level overview of 26-27 budget planning. Attached please find a draft of the 26-27 Budget Planning Process. Administration will review the enrollment projections, staffing projections, class size, and a high-level budget projection. Administration will be seeking feedback on the topic of staffing levels and open enrollment options that will need to be approved in January 2026.

The K-4 sections have been updated, as well as the high-level budget table on the last page of the document. The budget table was updated to reflect the 4K contract offer selected by the board of education in December 2025.

B. Enrollment Planning 96

The purpose of this agenda item is to discuss future enrollment planning. Attached please find an updated enrollment projection. Administration is recommending planning for 2026-27 utilizing the 3-year average projection model. This model estimates 4,393 (+24) students in 2026–27. Our district continues the pattern of larger graduating classes being replaced by smaller kindergarten classes. The graduating class of 2025–26 is smaller than the recent graduating classes (309). Community growth then typically accounts for the gap. Overall, our district has declining/stable enrollment. We used the enrollment projections to then calculate class size information for open enrollment for the January 2026 school board meeting. We also use the enrollment projections for

staffing projections which are shared at the January budget committee meeting. Administration has attached the open enrollment options for the January board meeting. A recommendation from the budget committee is requested.

C. 4K Planning

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The board of education approved the following 3 items at the December 2025 board meeting:

- 1. Increase the stipend amount from \$3600 to \$5000**
- 2. Additional request for 4K open enrollment seats in January 2026**
- 3. Form a 4K task force in preparation for the 27–28 school year**

The 4K contracts were emailed on December 9th, 2025 to our 4K Partners.

Attached you will find the responses that were due by the end of the day on Friday, December 19th.

Administration will discuss the 4K responses at the budget committee meeting.

VII. DISCUSSION/ACTION ON PROPOSALS

VIII. OTHER ITEMS FOR DISCUSSION

IX. FUTURE AGENDA ITEMS

X. ADJOURN

“Any person who has a qualifying disability as defined by the Americans with Disabilities Act who requires assistance with access or materials should contact the Waunakee Community School District Office at 849-2000, 905 Bethel Circle Drive Waunakee, WI 53597, at least twenty-four hours prior to the commencement of the meeting so that necessary arrangements can be made to accommodate the request.”



Budget Accomplishments / Risks

Accomplishments	Risks
Post employment benefits \$600k	High cost special ed aid
Termination benefits \$100k	State special education aid
Contingency fund + \$100k	Tax levy reduction of \$2.3 million
Transportation+ \$100k / Legal +47k	Additional staffing changes
July/Aug 26 Health Insurance increase	



Tax Levy Approval- New Information

- August Estimate of Net New Construction (2.66%)
- October 1st Equalized Property Values (\$5,520,979,855 or 9.6% increase)
- Finalization of 2025-26 Revenue Limit Worksheet (Determines Fund 10 Property Tax Levy)
- Decrease in Fund 39 Tax Levy
- The Board of Education has made the decision to reduce the referendum debt service tax levy by \$2,385,712. This reduction is possible because of the use of one or more of the following financial strategies:
 1. Refinance existing debt.
 2. Utilize November 2022 referendum project savings.
 3. Utilize clean energy rebate from the federal government.
- Final Tax Rate: \$8.60



Tax Levy Approval- Changes

July 2025

Proposed Property Tax Levy			
FUND	Audited	Unaudited	Proposed
	2023-24	2024-25	2025-26
General Fund	28,460,117.00	33,383,590.00	37,516,957.00
Referendum Debt Service Fund	12,838,301.00	10,699,681.00	10,940,424.00
Non-Referendum Debt Service Fund	0.00	0.00	0.00
Capital Expansion Fund	0.00	0.00	0.00
Community Service Fund	394,500.00	740,000.00	1,006,300.00
TOTAL SCHOOL LEVY	41,692,918.00	44,823,271.00	49,463,681.00
PERCENTAGE INCREASE --	8.0%	7.5%	10.4%
TOTAL LEVY FROM PRIOR YR			

October 2025

Proposed Property Tax Levy			
FUND	Audited	Unaudited	Proposed
	2023-24	2024-25	2025-26
General Fund	28,460,117.00	33,383,590.00	37,939,991.00
Referendum Debt Service Fund	12,838,301.00	10,699,681.00	8,544,712.00
Non-Referendum Debt Service Fund	0.00	0.00	0.00
Capital Expansion Fund	0.00	0.00	0.00
Community Service Fund	394,500.00	740,000.00	1,006,300.00
TOTAL SCHOOL LEVY	41,692,918.00	44,823,271.00	47,491,003.00
PERCENTAGE INCREASE --	8.0%	7.5%	6.0%
TOTAL LEVY FROM PRIOR YR			

December 15, 2025

Board of Education
Waunakee Community School District
Waunakee, Wisconsin

Dear Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Waunakee Community School District (the "District") for the year ended June 30, 2025. Professional standards require that we provide you with the following information related to the audit:

Our Responsibility under Auditing Standards Generally Accepted in the United States of America and Government Auditing Standards

As stated in our engagement letter dated December 9, 2025, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the system of internal control of the District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

Planned Scope and Timing of the Audit

We performed the audit accordingly to the planned scope, timing, and with respect to significant risks identified by us, all of which were previously communicated to your representative, communicated in our letter dated December 10, 2025, in addition to our engagement letter dated December 9, 2025, accepted by management.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Waunakee Community School District are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, the Waunakee Community School District changed accounting policies related to compensated absences by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 101, Compensated Absences, in year 2025 the adoption of this standard had no impact on the District.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements were the significant useful lives in calculating accumulated depreciation, the District's proportionate share of the net pension liability, and the net OPEB liability.

Management's estimate of the accumulated depreciation is based on expected useful lives of property and equipment and the net pension liability, and net OPEB liability is based on actuarial information. We evaluated the key factors and assumptions used to develop the useful lives in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We proposed no audit adjustments that could, in our judgement, either individually or in the aggregate, have a significant effect on the District's financial reporting process.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 12, 2025, a copy of which accompanies this letter.

Management Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

Required Supplementary Information Accompanying Audited Financial Statements

We applied certain limited procedures to management's discussion and analysis, the budgetary comparison schedule - general fund, the schedules of the employer's proportionate share of the net pension – Wisconsin Retirement System, and the schedule of changes in the net OPEB liability and related ratios - OPEB, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Supplementary Information Accompanying Audited Financial Statements

We were engaged to report on the combining general fund and nonmajor governmental fund statements, which accompany the financial statements but are not RSI. With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Other Information in Documents Containing Audited Financial Statements

The auditor's responsibility for other information in documents containing audited financial statements does not extend beyond the financial information identified in our report, and we have no obligation to perform any procedures to corroborate other information contained in a document. Our responsibility is to read the other information and consider whether such information, or the manner of its presentation, is materially inconsistent with information, or the manner of its presentation, appearing in the financial statements. We have read the Data Collection Form and have found no material inconsistencies with the information appearing in the audited financial statements.

We are not aware of any documents or other information containing audited financial statements and, furthermore, management has not requested us to devote attention to any documents containing audited financial statements.

Internal Control Matters

In planning and performing our audit of the financial statements of Waunakee Community School District as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing opinions on the effectiveness of the District's internal control. Accordingly, we do not express opinions 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 reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

This communication is intended solely for the information and use of Board of Education and, if appropriate, management of Waunakee Community School District, and is not intended to be, and should not be used by anyone other than these specified parties.

We appreciate the opportunity to be of service to Waunakee Community School District.

Sincerely,



Wipfli LLP
Enc.

Waunakee Community School District

Waunakee, Wisconsin

Financial Report

Year ended June 30, 2025



Waunakee Community School District

Financial Statements and Supplementary Financial Information

Year Ended June 30, 2025

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Waunakee Community School District

Financial Statements and Supplementary Financial Information

Year Ended June 30, 2025

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Independent Auditor's Report

Board of Education
Waunakee Community School District
Waunakee, Wisconsin

Report on 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 Waunakee Community School District (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the 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 Waunakee Community School District, as of June 30, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States (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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedule - general fund, the schedules of the employer's proportionate share of the net pension liability (asset) and employer contributions – Wisconsin Retirement System and the schedule of changes in the employer's net OPEB liability and related ratios and employer contributions - OPEB be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, 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.

"Wipfli" is the brand name under which Wipfli LLP and Wipfli Advisory LLC and its respective subsidiary entities provide professional services. Wipfli LLP and Wipfli Advisory LLC (and its respective subsidiary entities) practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations, and professional standards. Wipfli LLP is a licensed independent CPA firm that provides attest services to its clients, and Wipfli Advisory LLC provides tax and business consulting services to its clients. Wipfli Advisory LLC and its subsidiary entities are not licensed CPA firms.

Supplementary Financial 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 statements 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 relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the combining statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2025, on our consideration of the Waunakee Community School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Wipfli LLP

Wipfli LLP
Madison, Wisconsin
December 12, 2025

Waunakee Community School District

Management's Discussion and Analysis

The discussion and analysis of the financial performance of the Waunakee Community School District (the "District") provides an overview of financial activities for the fiscal year ended June 30, 2025. The analysis focuses on school district financial performance as a whole. Efforts have been made to provide comparison to prior year data when such data is relevant. It should be read in conjunction with the District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

The District's government-wide financial statements reflect the following:

- Total net position of the District decreased to \$57,726,109 at June 30, 2025.
- Total revenues increased to \$90,650,394 in fiscal year 2025, up from \$90,313,060 in fiscal year 2024, an increase of approximately 0.37%.
- Total expenses increased to \$93,959,617 in fiscal year 2025, up from \$88,274,742 in fiscal year 2024, an increase of 6.44%.

The District's governmental fund financial statements reflect the following:

- Total fund balances of the District's governmental funds increased \$5,232,281 in fiscal year 2025. This increase included a \$222,932 decrease in the debt service fund, a \$5,337,458 increase in the capital projects fund, and a \$117,755 increase in non-major governmental funds.
- The fund balance for all governmental funds on June 30, 2025 was \$59,676,454. Of this amount, \$41,203 is nonspendable, \$52,543,377 was restricted for common school fund, self-insurance, capital improvements, debt service, special revenue gifts, and community service; \$530,235 was committed; \$934,214 was assigned; and \$5,627,425 remains unassigned.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis are intended to serve as an introduction to the District's basic financial statements. Those basic financial statements are comprised of three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains information supplementary to the basic financial statements.

Waunakee Community School District

Management's Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

District-Wide Financial Statements

District-wide financial statements report information about the District as a whole, using accounting methods similar to those used by private sector companies. The *statement of net position* presents financial information on all of the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the District is improving. To assess the overall financial condition of the District, additional non-financial factors, such as changes in the District's property tax base and the condition of school buildings and other facilities should be considered. The District does not have any proprietary funds and the fiduciary funds are not included in the statement of net position.

The *statement of activities* includes all revenues and expenses of the District, irrespective of when cash is actually received or paid out. The intent of the district-wide statements is to provide a snapshot of the District's net position and to provide an explanation of material changes that occurred since the prior year.

Fund Financial Statements

The *fund financial statements* provide detailed information about the District's significant funds rather than the District as a whole. A fund is an accounting entity with a self-balancing set of accounts for recording assets, liabilities, revenues, and expenditures. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All the funds of the District can be divided into two categories: governmental and fiduciary. Table 1 summarizes the various features of each of these funds.

- **Governmental Funds**—Most of the District's basic services are included in governmental funds, which focus on (1) cash and other financial assets that can readily be converted to cash and (2) the balances remaining at year-end that are available for funding future basic services. Governmental funds statements provide a detailed short-term view that helps the reader determine whether there are financial resources to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information is provided that explains the relationship between them.
- **Fiduciary Funds**—The District serves as a fiduciary for the Employee Benefit Trust to account for post-employment benefits. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. These activities are excluded from the district-wide financial statements because the District cannot use these assets to finance its operations.

Waunakee Community School District

Management’s Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Table 1
Major Features of the District-wide and Fund Financial Statements

	District-wide Statements	Fund Financial Statements	
		Governmental	Fiduciary
Scope	Entire district (except fiduciary funds).	The activities of the District that is not proprietary or fiduciary, such as instruction, support services, debt service, capital projects, food service and community services.	The district acts as trustee or agent for another; e.g. other post-employment trusts
Required Financial statements	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures and Changes in Fund Balance 	<ul style="list-style-type: none"> • Statement of Fiduciary Net Position • Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting. Economic resources focus.	Modified accrual accounting. Current financial resources focus.	Accrual accounting. Economic resources focus.
Type of asset, deferred inflow/outflow of resources, and liability information	All assets, deferred inflows/outflows of resources, and liabilities; both financial and capital, short-term and long-term.	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter. No capital assets or long-term liabilities included.	All assets and liabilities, financial and capital; short-term and long-term. These funds do not currently contain any capital assets, although they can.
Type of inflow and outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues when cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability are due and payable.	All additions or deductions during the year, regardless of when cash is received and paid.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements.

Other Information

Required supplementary information (RSI) includes a budget to actual comparison that provides readers with information about the accuracy with which management was able to project the District’s revenues and expenditures. In addition, the RSI includes information concerning the District’s other post-employment benefits (OPEB) liabilities, and certain details about the District’s net pension (asset) liability.

Waunakee Community School District

Management's Discussion and Analysis

DISTRICT-WIDE FINANCIAL STATEMENTS

Statement of Net Position

The District ended its fiscal year with net position of \$57,276,109, of which \$45,552,130 was net investment in capital assets, \$44,517 was restricted for common school fund, \$303,586 was restricted for self-insurance, \$5,806,874 was restricted for debt service, \$1,361,047 was restricted by donors, \$85,568 was restricted for community service, and \$4,122,387 was unrestricted net position. Unrestricted net position represents the amount of discretionary resources that can be used to fund general District operations.

Table 2
Condensed Statements of Net Position
(in thousands of dollars)

	Governmental Activities		
	2025	2024	% Change
Assets			
Current and other assets	\$ 79,800	\$ 76,480	4.34%
Capital assets	211,016	156,580	34.77%
Total assets	290,816	233,060	24.78%
Deferred Outflows of Resources	19,614	25,888	-24.24%
Liabilities			
Long-term liabilities	220,528	157,756	39.79%
Other liabilities	21,424	23,242	-7.82%
Total liabilities	241,952	180,998	33.68%
Deferred Inflows of Resources	11,202	17,365	-35.49%
Net Position as restated			
Net investment in capital assets	45,552	46,724	-2.51%
Restricted	7,602	7,835	-2.97%
Unrestricted	4,122	6,026	-31.60%
Total Net Position	<u>\$ 57,276</u>	<u>\$ 60,585</u>	-5.46%

The largest portion, approximately 80% or \$45.5 million, of the District's net position continues to be its net investment in capital assets (e.g. land, buildings, and equipment), less related outstanding debt used to acquire those assets.

Waunakee Community School District

Management's Discussion and Analysis

DISTRICT-WIDE FINANCIAL STATEMENTS (continued)

Changes in Net Position

Table 3 demonstrates that on a district-wide basis the District ended fiscal year 2025 with an decrease in net position of \$3,309,223 compared to an increase of \$2,038,318 in fiscal year 2024.

The district received \$90,650,394 in revenue for the fiscal year 2025. The District relies primarily on property taxes (49.4% of total governmental revenues), and state equalization aid (30.7%) to fund governmental activities. The District received approximately 15.4% in the form of specific use state grants, federal aid and direct fees for services.

Individuals who directly participated or benefited from a program paid 6.8% of the cost. Book and activity fees, admission to athletic events, open enrollment tuition and other fees are included as charges for services.

Federal and state governments subsidized certain programs with grants and awards of \$7,497,968. Operating grants include ESEA, IDEA, and State Special Education Aid.

In the fiscal year ended 2025, the District spent \$93,959,617 as compared to \$88,274,742 in 2024, for an increase of 6.44%.

Waunakee Community School District

Management's Discussion and Analysis

Table 3
Changes in Net Position from Operating Results
(in thousands of dollars)

	Governmental Activities		
	2025	2024	% Change
REVENUES			
Program revenues			
Charges for services	\$ 6,419	\$ 6,309	1.74%
Operating grants & contributions	7,498	8,263	-9.26%
General revenues			
Property taxes	44,823	41,693	7.51%
General aid	27,859	27,931	-0.26%
Other	4,051	6,117	-33.77%
Total revenues	90,650	90,313	0.37%
EXPENSES			
Instruction	46,761	40,083	16.66%
Pupil and instructional services	10,186	8,743	16.50%
Administrative services	25,996	29,572	-12.09%
Interest on debt	6,643	5,765	15.23%
Other	4,373	4,112	6.35%
Total expenses	93,959	88,275	6.44%
Change in Net Position	\$ (3,309)	\$ 2,038	-262.37%

DISTRICT-WIDE FINANCIAL STATEMENTS (continued)

Table 4 presents the cost of district activities. The table reports each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost reflects the financial burden that was placed on the District's taxpayers by each of these functions.

The cost of all governmental activities this year was \$93,959,617. Individuals who directly participated or benefited from a program offering paid \$6,419,140 of costs. Federal and state governments subsidized certain programs with grants and contributions of \$7,497,968. The net cost of governmental activities, \$80,042,509, was financed by \$44,823,271 of property taxes and \$27,858,759 of state general aid.

Waunakee Community School District

Management's Discussion and Analysis

Table 4
Net Cost of Governmental Activities
(in thousands of dollars)

	Total Cost of Services	Net Cost of Services
EXPENSES		
Instruction	\$ 46,761	\$ (36,319)
Pupil and instructional services	10,186	(9,672)
Administrative services	25,996	(23,236)
Interest on debt	6,643	(6,643)
Other	4,373	(4,172)
	\$ 93,959	\$ (80,042)
Total expenses	\$ 93,959	\$ (80,042)

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances in spendable resources. Such information is useful in assessing the District's financing requirements. Unassigned fund balances or lack thereof, may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The District completed the year with a total governmental fund balance of \$59,676,454, up from last year's ending fund balance of \$54,444,173. The District's unassigned fund balance, available for spending at the district's discretion was \$5,627,425.

The General Fund is the chief operating fund of the District. During the current fiscal year, the general fund saw no change fund balance.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's original and amended budget for the general fund anticipated that expenditures and other financing uses would equal revenues. The actual results for the year ended June 30, 2025 had expenditures and other financing uses equal revenues resulting in no change of fund balance.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2025, the District had \$270,546,372 in capital assets, including land, construction in progress, buildings and improvements, and furniture and equipment. Total accumulated depreciation on these assets was \$59,530,495. Asset acquisitions for governmental activities totaled \$67,506,417. The District recognized depreciation expense of \$5,100,253. Detailed information about capital assets can be found in Note 4 to the financial statements.

Waunakee Community School District

Management’s Discussion and Analysis

Table 5
Capital Assets
(in thousands of dollars)

	2025	2024
Land	\$ 2,725	\$ 2,725
Construction in progress	67,263	66,799
Buildings and improvements	184,662	134,722
Furniture and equipment	15,896	11,478
Accumulated depreciation	(59,530)	(59,144)
Net capital assets	\$ 211,016	\$ 156,580

Long-Term Debt

At June 30, 2025, the District had \$206,170,000 in general obligation debt outstanding—an increase of \$60,110,000 from fiscal year 2024. Debt of the District is secured by a tax levy adopted by the Board of Education at the time of issuance. Wisconsin statutes require that the first property tax receipts be segregated for annual debt service payments. Detailed information about the District’s long-term obligations is presented in Note 7 to the financial statements.

Table 6
Outstanding Long-term Obligations
(in thousands of dollars)

	2025	2024
General obligation debt	\$ 209,105	\$ 148,141
Capital leases	-	19
Compensated absences	3,740	3,442
Net pension liability	3,222	2,843
Other postemployment benefits	4,461	3,311
Net long-term obligations	\$ 220,528	\$ 157,756

FACTORS BEARING ON THE DISTRICT’S FUTURE

The following items may have a bearing on the future of the District:

- The School Board approved in August of 2022 two referendum questions for the public to consider on November 8th, 2022. The first question was an operational referendum question, on a non-recurring basis as follows: 2022-23 \$1 million, 2023-24 \$3 million, 2024-25 \$6 million. The second question was a capital referendum question for \$175 million that included the following:

Waunakee Community School District

Management's Discussion and Analysis

construction of a new Heritage Elementary at a district owned site, construction of a new Middle School at the former Heritage Elementary site, specific renovation projects at the Waunakee High School, Teaching and Learning Center, and Administrative offices, and districtwide maintenance projects. Both referendum questions were approved by the public. The new Middle School will open during the 2026 Summer School Term.

- The district has borrowed all of the \$175 million authorized in the November 2022 capital referendum question. The first borrowing took place in December 2022 (\$9.9 million) and the second borrowing took place in January of 2023 (\$99 million). The remaining was borrowed during the 2024-2025 fiscal year. Two of the borrowings are bond anticipation notes that will need to be refinanced in the future.
- The school board approved presenting an operational referendum to the voting public, Tuesday November 5th, 2024. This question included 3 parts with 2 being recurring and 1 being non-recurring. The first part was a recurring, \$8,100,000, for operational cost. The second part was for \$500,000 25-26 and \$1,000,000 in 26-27 for recurring compensation costs for hourly employees. The third part was non-recurring for 25-26, \$1,050,000 and 26-27 was \$2,100,000.
- The school board will be considering a November 2026 operational referendum question designed to replace the non-recurring portion of the November 2024 operational referendum. The school board will also be considering a capital project at the Waunakee Community High School.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact any of the individuals below at (608) 849-2000:

- Monica Kelsey-Brown, District Superintendent - MonicaKelsey-Brown@waunakee.k12.wi.us
- Steve Summers, Executive Director of Operations - stevesummers@waunakee.k12.wi.us
- Alexandra Newton, Director of Business Services - alexandranewton@waunakee.k12.wi.us

Additional information about the District and its services can also be found on the District's website at www.waunakee.k12.wi.us.

Government-Wide Financial Statements

Waunakee Community School District

Statement of Net Position

June 30, 2025

	Governmental
<i>Assets and Deferred Outflows of Resources</i>	Activities
Current assets:	
Cash and investments	\$ 66,446,713
Accounts receivable	12,774,133
Prepaid items	41,203
Due from other governments	539,055
Total current assets	79,801,104
Noncurrent assets:	
Capital assets not being depreciated	69,987,623
Capital assets being depreciated, net	141,028,254
Total noncurrent assets	211,015,877
Total assets	290,816,981
Deferred outflows of resources - Related to pensions/OPEB	19,613,802
Total assets and deferred outflows of resources	\$ 310,430,783
<i>Liabilities, Deferred Inflows of Resources, and Net Position</i>	
Current liabilities:	
Short-term notes payable	\$ 13,000,000
Due from fiduciary fund	577
Accounts payable	5,244,344
Accrued payroll	1,228,444
Medical claims payable	106,851
Accrued interest	1,782,363
Unearned revenue	62,427
Current portion of long-term obligations	6,165,000
Total current liabilities	27,590,006
Noncurrent liabilities:	
Due in more than one year	214,362,757
Total liabilities	241,952,763
Deferred inflows of resources - Related to pensions/OPEB	11,201,911
Net position:	
Net investment in capital assets	45,552,130
Restricted	7,601,592
Unrestricted	4,122,387
Total net position	57,276,109
Total liabilities, deferred inflows of resources, and net position	\$ 310,430,783

See accompanying notes to the financial statements.

Waunakee Community School District

Statement of Activities

Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues		Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Revenues and
				Changes in
				Net Position
				Total
				Governmental
				Activities
Governmental activities:				
Instruction:				
Regular instruction	\$ 30,953,248	\$ 3,276,927	\$ 1,227,818	\$ (26,448,503)
Vocational instruction	2,377,468	-	20,755	(2,356,713)
Special education instruction	9,514,452	-	4,830,490	(4,683,962)
Other instruction	3,916,277	402,905	683,579	(2,829,793)
Total instruction	46,761,445	3,679,832	6,762,642	(36,318,971)
Support services:				
Pupil services	4,054,862	-	512,858	(3,542,004)
Instructional staff services	6,130,701	-	300	(6,130,401)
General administration	1,766,491	-	49,200	(1,717,291)
Building administration	4,400,613	-	-	(4,400,613)
Business services	19,829,134	2,640,950	70,181	(17,118,003)
Central services	202,332	-	-	(202,332)
Insurance	613,861	-	-	(613,861)
Other support services	3,556,807	98,358	102,787	(3,355,662)
Interest	6,643,371	-	-	(6,643,371)
Total support services	47,198,172	2,739,308	735,326	(43,723,538)
Total school district	\$ 93,959,617	\$ 6,419,140	\$ 7,497,968	(80,042,509)
General revenues:				
Property taxes:				
General purposes				33,383,590
Debt service				10,699,681
Community service				740,000
State and federal aids not restricted to specific functions				27,858,759
Interest and investment earnings				2,922,344
Miscellaneous				1,128,912
Total general revenues				76,733,286
Change in net position				(3,309,223)
Net position - Beginning of year				60,585,332
Net position - End of year				\$ 57,276,109

See accompanying notes to the financial statements.

Fund Financial Statements

Waunakee Community School District

Balance Sheet - Governmental Funds

June 30, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
Assets:					
Cash and investments	\$ 9,790,128	\$ 3,407,549	\$ 51,832,639	\$ 1,416,397	\$ 66,446,713
Receivables:					
Accounts	157,406	-	34,369	141,013	332,788
Taxes	12,441,345	-	-	-	12,441,345
Prepaid items	41,203	-	-	-	41,203
Due from other funds	3,997,777	3,699,681	2,343	838,715	8,538,516
Due from other governments	520,291	-	-	18,764	539,055
Total assets	\$ 26,948,150	\$ 7,107,230	\$ 51,869,351	\$ 2,414,889	\$ 88,339,620
Liabilities:					
Short-term notes payable	\$ 13,000,000	\$ -	\$ -	\$ -	\$ 13,000,000
Accounts payable	216,117	-	4,918,800	109,427	5,244,344
Accrued payroll	1,212,530	-	-	15,914	1,228,444
Accrued interest	482,007	-	-	-	482,007
Due to other funds	4,449,465	-	3,309,122	780,506	8,539,093
Medical claims payable	106,851	-	-	-	106,851
Unearned revenue	-	-	-	62,427	62,427
Total liabilities	19,466,970	-	8,227,922	968,274	28,663,166
Fund balances:					
Nonspendable	41,203	-	-	-	41,203
Restricted	348,103	7,107,230	43,641,429	1,446,615	52,543,377
Committed	530,235	-	-	-	530,235
Assigned	934,214	-	-	-	934,214
Unassigned	5,627,425	-	-	-	5,627,425
Total fund balances	7,481,180	7,107,230	43,641,429	1,446,615	59,676,454
Total liabilities and fund balances	\$ 26,948,150	\$ 7,107,230	\$ 51,869,351	\$ 2,414,889	\$ 88,339,620

See accompanying notes to the financial statements.

Waunakee Community School District
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
June 30, 2025

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

Total fund balances - Governmental funds		\$ 59,676,454
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund statements. Amounts reported for governmental activities in the statement of net position:

Governmental capital assets	\$ 270,546,372	
Governmental accumulated depreciation	(59,530,495)	211,015,877

The supplemental pension, net pension and OPEB liability (asset) and the deferred outflows of resources and deferred inflows of resources related to pensions and OPEB are only reported in the statement of net position:

Net pension liability	(3,222,086)	
Net OPEB liability	(4,460,333)	
Deferred outflows of resources related to pensions/OPEB	19,613,802	
Deferred inflows of resources related to pensions/OPEB	(11,201,911)	729,472

Long-term liabilities and the related interest payable, including bonds and notes payable, are not due in the current period and, therefore, are not reported in the fund statements. Long-term liabilities reported in the statement of net position that are not reported in the fund's balance sheet are:

Bonds and notes payable	(206,170,000)	
Unamortized premiums	(2,935,176)	
Accrued interest	(1,300,356)	
Compensated absences	(3,740,162)	(214,145,694)

Total net position - Governmental activities		\$ 57,276,109
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See accompanying notes to the financial statements.

Waunakee Community School District
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
Year Ended June 30, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 33,383,590	\$ 10,699,681	\$ -	\$ 740,000	\$ 44,823,271
Other local sources	1,678,075	50,964	2,167,506	3,963,974	7,860,519
Interdistrict sources	2,640,855	-	-	212,697	2,853,552
Intermediate sources	11,627	-	-	-	11,627
State sources	32,500,304	-	-	-	32,500,304
Federal sources	1,662,268	-	-	102,787	1,765,055
Other sources	836,066	-	-	-	836,066
Total revenues	72,712,785	10,750,645	2,167,506	5,019,458	90,650,394
Expenditures:					
Instruction:					
Regular instruction	29,944,247	-	-	49,187	29,993,434
Vocational instruction	2,370,326	-	-	3,121	2,373,447
Special instruction	9,273,881	-	-	-	9,273,881
Other instruction	2,845,843	-	-	923,101	3,768,944
Total instruction	44,434,297	-	-	975,409	45,409,706
Support services:					
Pupil services	4,040,247	-	-	14,615	4,054,862
Instructional staff services	5,747,827	-	-	285,340	6,033,167
General administration	1,552,004	-	-	-	1,552,004
Building administration	4,153,101	-	-	138,105	4,291,206
Business services	8,543,991	-	62,714,330	2,933,036	74,191,357
Central services	150,183	-	-	47,946	198,129
Insurance	475,508	-	135,718	2,635	613,861
Other support services	2,783,769	-	-	685,901	3,469,670
Total support services	27,446,630	-	62,850,048	4,107,578	94,404,256
Debt service:					
Principal	19,459	5,910,000	-	-	5,929,459
Interest	631,115	6,316,776	-	-	6,947,891
Total debt service	650,574	12,226,776	-	-	12,877,350
Total expenditures	72,531,501	12,226,776	62,850,048	5,082,987	152,691,312
Excess of revenues over (under) expenditures	181,284	(1,476,131)	(60,682,542)	(63,529)	(62,040,918)
Other financing sources:					
Issuance of bonds	-	-	66,020,000	-	66,020,000
Bond premiums	-	1,253,199	-	-	1,253,199
Transfers in (out)	(181,284)	-	-	181,284	-
Total other financing sources	(181,284)	1,253,199	66,020,000	181,284	67,273,199
Net change in fund balances	-	(222,932)	5,337,458	117,755	5,232,281
Fund balances - Beginning of year	7,481,180	7,330,162	38,303,971	1,328,860	54,444,173
Fund balances - End of year	\$ 7,481,180	\$ 7,107,230	\$ 43,641,429	\$ 1,446,615	\$ 59,676,454

See accompanying notes to the financial statements.

Waunakee Community School District
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Funds to the Statement of Activities
Year Ended June 30, 2025

Net change in fund balances - Governmental funds (from previous page) \$ 5,232,281

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

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

Capital outlays reported in governmental fund statements	\$ 67,506,417
Depreciation expense reported in the statement of activities	(5,100,253)
Book value of assets disposed during the current year.	(7,970,702)

Amount by which capital outlays are less than depreciation in the current year 54,435,462

Vested employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year. This amount is the net effect of the changes in employee benefit accounts (1,937,746)

The issuance of long-term debt provides current financial resources to governmental funds but increase long-term liabilities in the statement of net position
Bond proceeds (67,273,199)

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	5,929,459
Change in accrued interest	(94,302)
Amortization of discounts and premiums	398,822

Change in net position - Governmental activities \$ (3,309,223)

See accompanying notes to the financial statements.

Waunakee Community School District

Statement of Fiduciary Net Position

June 30, 2025

	Employee Benefit Trust	
Assets:		
Cash and investments	\$	9,331,312
Due from other funds		577
Total assets		9,331,889
Net position:		
Restricted for OPEB		2,203,716
Restricted for pension		7,128,173
Total net position	\$	9,331,889

See accompanying notes to the financial statements.

Waunakee Community School District
Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2025

	Employee Benefit Trust
<hr/>	
Additions:	
Contributions	\$ 1,201,808
Investment income	463,482
<hr/>	
Total additions	1,665,290
<hr/>	
Deductions:	
Retiree benefit payments	1,269,105
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Total deductions	1,269,105
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Change in net position	396,185
<hr/>	
Net position - Beginning of year	8,935,704
<hr/>	
Net position - End of year	\$ 9,331,889
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See accompanying notes to the financial statements.

Waunakee Community School District

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Introduction

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

Reporting Entity

The Waunakee Community School District is organized as a common school district. The District, governed by a seven-member elected school board, and operates grades pre-kindergarten through 12.

This report includes all of the funds of the District. The reporting entity for the District consists 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 their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. This report does not contain any component units.

New Accounting Pronouncement

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. The statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. There was no impact on beginning net position or fund balance as a result of this statement.

Waunakee Community School District

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the reporting government as a whole. These statements include all the financial activities of the District, except for the fiduciary funds. The fiduciary funds are only reported in the statement of fiduciary net position and statement of changes in fiduciary net position at the fund financial statement level.

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

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients for 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.

The District applies restricted resources first when an expense is incurred for a purpose for which both restricted and unrestricted net position are available. Depreciation expense that can be specifically identified by function is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the statement of activities.

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 other governmental funds.

The District reports the following major governmental funds:

- General Fund – This is the District's primary operating fund. It accounts for all financial activity that is not accounted for and reported in another fund, including educational programs for students with disabilities.
- Debt Service Fund – This fund accounts for financial resources that are restricted, committed, or assigned to expenditure for principal and interest on long-term general obligation debt of governmental activities, including amounts accumulated for principal and interest maturing in future years.

Waunakee Community School District

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

- Capital Projects Fund – This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The District accounts for assets accumulated from employer contributions used to pay for postemployment benefits in the Employee Benefit Trust Funds.

Waunakee Community School District

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting

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

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available (susceptible to accrual). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the current fiscal year.

Expenditures are recognized when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less. Cash and investment balances for individual funds are pooled unless maintained in segregated accounts. The Debt Service Fund accounts for its transactions through separate and distinct bank and investment accounts as required by State Statutes.

State Statutes permit the District to invest available cash balances, other than debt service funds, in time deposits (maturing in not more than three years) of authorized depositories, U.S. Treasury obligations, U.S. agency issues, municipal obligations within Wisconsin, 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 obligations of the United States and the local government pooled investment fund administered by the State of Wisconsin Investment Board.

Waunakee Community School District

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-tier hierarchy prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as quoted market prices in active markets for identical assets or liabilities; Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs, therefore requiring an entity to develop its own assumptions. The asset's or liability's fair value measurement within the hierarchy is based on techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Receivables and Payables

All accounts receivable are shown at gross amounts and, where appropriate, are reduced by an allowance for uncollectible accounts. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the district-wide and the fund financial statements.

Capital Assets

Capital assets are recorded at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated acquisition value at the date of donation. The District maintains a threshold level of \$25,000 for capitalizing buildings and building improvements and \$5,000 for capitalizing land improvements and furniture and equipment.

Capital assets are recorded in the government-wide financial statements but are not reported in the fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared no longer needed for public school purposes by the District, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 20 to 50 years for buildings and building improvements from 10 to 20 years for land improvements and 5 to 20 years for furniture and equipment. The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend the asset's life is not capitalized. Capital assets not being depreciated include land and construction in progress. The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

Waunakee Community School District

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Unearned Revenue

Unearned revenue consists of money received related to food deposits that has not been earned.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

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

Contracts Payable

Contracts that transfer ownership of an asset to the District by the end of the contract and do not contain termination options are reported as a financed purchase of the underlying asset by the District.

Accumulated Unpaid Sick Pay and Other Employee Benefit Amounts

The District's policy allows employees to earn varying amounts of sick pay for each year employed. Upon retirement, the employee is entitled to a deposit into a Health Reimbursement Account at the various rates as follows:

Teachers	\$85/day up to a maximum of 120 days
Classified staff and administrative assistants	\$110/day up to a maximum of 120 days
Custodians	\$110/day up to a maximum of 120 days

Administrators and administrative support staff are eligible for vacation per diems and health, dental, and life insurance up to age 65.

All compensated absences are accrued when earned in the district-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

Waunakee Community School District

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Accumulated Unpaid Sick Pay and Other Employee Benefit Amounts (Continued)

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

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

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

The District also offers an OPEB plan for health insurance. The net other postemployment liability for this plan has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits and OPEB expense. 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.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has deferred outflows related to pension and other postemployment benefit activity.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents the acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has deferred inflows related to pension and other postemployment benefit activity.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets (less any unexpended proceeds). Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first.

Waunakee Community School District

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form - prepaid items or inventories or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance: This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance: These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the Board of Education - the District's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Board of Education removes the specified use by taking the same type of action that imposed the original commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance: This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes, but the amounts are neither restricted nor committed. The Board of Education has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance: This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then unrestricted resources - committed, assigned, and unassigned - in order as needed.

Property Tax Levy

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. Second installment real estate taxes and delinquent taxes are collected by the county treasurer who then makes settlement with the city, town, village, and school districts before retaining any for county purposes.

Waunakee Community School District

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Property Tax Levy (Continued)

The aggregate district tax levy is apportioned and certified by November 6 of the current fiscal year for collection to comprising municipalities based on the immediate past October 1 full or "equalized" taxable property values. As permitted by a collecting municipality's ordinance, taxes may be paid in full or two or more installments with the first installment payable the subsequent January 31 and a final payment no later than the following July 31. On or before January 15, and by the 20th of each subsequent month thereafter, the District may be paid by the collecting municipalities its proportionate share of tax collections received through the last day of the preceding month. On or before August 20, the county treasurer makes full settlement to the District for any remaining balance.

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

Note 2: Stewardship and Accountability

Limitation on School District Revenues

Wisconsin Statutes limit the amount of revenues school districts may derive from general school aids and property taxes unless a higher amount is approved by a referendum. This limitation does not apply to revenues needed for the payment of any general obligation debt service (including refinanced debt) authorized by either of the following:

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

Note 3: Cash and Investments

The District's cash and investment balances at June 30, 2025 were as follows:

	Amount	Fair Value Level	Average Maturity
Deposits with financial institutions	\$ 11,420,248	N/A	N/A
Investments:			
Wisconsin Investment Series Cooperative	54,563,190	N/A	<30 days average
Wisconsin Local Government Investment Pool	463,275	N/A	<30 days average
Investments	9,331,312	Level 2	<12 months
Total	\$ 75,778,025		

Waunakee Community School District

Notes to Financial Statements

Note 3: Cash and Investments (Continued)

The District's cash and investment balances as shown in the basic financial statements are as follows:

Government-wide statement of net position	
Cash and investments	\$ 66,446,713
Fiduciary fund statement of net position	
Cash and investments	9,331,312
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Total	\$ 75,778,025
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Deposits

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2025, the District's bank balance of \$13,105,182 was not exposed to custodial credit risk as follows: \$250,000 was covered by FDIC insurance, \$1,000,000 was covered by the State of Wisconsin, and \$11,855,182 was covered by a line of credit held by the Federal Home Loan Bank of Chicago.

Investments

The District is a participant in the Local Government Investment Pool (LGIP), which is authorized in Wisconsin statutes 25.14 and 25.17 under the oversight of the State of Wisconsin Investment Board. The LGIP is not registered with the Securities Exchange Commission as an investment company. The LGIP operates and reports to participants on the amortized cost basis. LGIP pool shares are bought and redeemed at \$1 based on the amortized cost of the investments in the LGIP. The investment in the LGIP is not subject to the fair value hierarchy disclosures.

The District is a participant in the Wisconsin Investment Series Cooperative (WISC) funds, which is authorized in Wisconsin Statute 66.0301 and are governed by a commission in accordance with the terms of an intergovernmental cooperation agreement. The WISC is not registered with the Securities Exchange Commission (SEC) as an investment company. The WISC reports to participants on the amortized cost basis. WISC shares are bought and redeemed at \$1 based on the amortized cost of the investments in the pool. Participants in WISC have the right to withdraw their funds in total on one day's notice. The investments in WISC are not subject to the fair value hierarchy disclosures.

Interest Rate Risk: 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. State Statute limits the maturity of fixed income securities to not more than seven years.

Credit Risk: State Statute limits investments in fixed income securities to the top two ratings issued by nationally recognized statistical rating organizations. Ratings are not required, or available, for the Wisconsin Local Government Investment Pool (LGIP). The Wisconsin Investment Series Cooperative has a credit rating of AAA. The District has no investment policy that would further limit its investment choices.

Waunakee Community School District

Notes to Financial Statements

Note 4: Capital Assets

Capital asset balances and activity for the year ended June 30, 2025, were as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,724,693	\$ -	\$ -	\$ 2,724,693
Construction in progress	66,798,651	55,935,745	(55,471,466)	67,262,930
Total capital assets not being depreciated	69,523,344	55,935,745	(55,471,466)	69,987,623
Capital assets being depreciated:				
Building	134,722,263	62,579,940	(12,639,937)	184,662,266
Furniture & Equipment	11,478,240	4,462,198	(43,955)	15,896,483
Total capital assets being depreciated	146,200,503	67,042,138	(12,683,892)	200,558,749
Less accumulated depreciation	(59,143,432)	(5,100,253)	4,713,190	(59,530,495)
Total capital assets, being depreciated - Net of accumulated depreciation	87,057,071	61,941,885	(7,970,702)	141,028,254
Governmental activities capital assets - Net	\$ 156,580,415	\$117,877,630	\$ (63,442,168)	\$ 211,015,877

Depreciation expense was charged to governmental activities as follows:

Regular instruction	\$ 143,929
Vocational instruction	18,321
Other instruction	14,616
Administrative services	2,627
Instructional staff services	12,199
Other support services	87,137
Building Administrative Services	4,821,424
Total depreciation for governmental activities	\$ 5,100,253

Waunakee Community School District

Notes to Financial Statements

Note 5: Interfund Balances and Activity

Interfund receivable and payable balances in the fund financial statements on June 30, 2025, are as follows:

Due From:	Due To: Employee Benefit Trust	Due To: General Fund	Due To: Debt Service Fund	Due To: Non-Major Governmental Funds	Due To: Capital Projects Funds	Total
General Fund	\$ 577	\$ -	\$ 3,699,681	\$ 748,864	\$ 343	\$ 4,449,465
Capital Projects Fund	-	3,219,271	-	89,851	-	3,309,122
Non-Major Governmental Funds	-	778,506	-	-	2,000	780,506
Totals	\$ 577	\$ 3,997,777	\$ 3,699,681	\$ 838,715	\$ 2,343	\$ 8,539,093

The purpose for the interfund balances are to reimburse costs paid out of one fund and allocated to other funds. The amounts will be reimbursed in the subsequent fiscal year.

In addition, the General Fund transferred \$181,284 to the Food Service Fund to eliminate a current year deficit.

Note 6: Short-Term Notes Payable

The District issues tax anticipation notes in advance of property tax collections. The note dated October 26, 2023 matured on September 24, 2024, with an interest rate of 5.00%. The note dated October 3, 2024 matures on September 24, 2025 with an interest rate of 5.00%. Interest for the year ended June 30, 2025 was \$632,832. Short-term debt activity for the year ended June 30, 2025 was as follows:

Description	Balance 07/01/24	Additions	Payments	Balance 06/30/25
Promissory note dated October 26, 2023	\$ 12,770,000	\$ -	\$ 12,770,000	\$ -
Promissory note dated October 24, 2024	-	13,000,000	-	13,000,000
Total	\$ 12,770,000	\$ 13,000,000	\$ 12,770,000	\$ 13,000,000

Waunakee Community School District

Notes to Financial Statements

Note 7: Long-Term Obligations

Long-term liability activity for the year ended June 30, 2025 was as follows:

	Balance 07/01/24	Additions	Reductions	Balance 06/30/25	Amounts Due Within One Year
Bonds	\$ 146,060,000	\$ 66,020,000	\$ 5,910,000	\$ 206,170,000	\$ 6,165,000
Deferred amounts:					
Premium	2,080,799	1,253,199	398,822	2,935,176	-
Subtotals	148,140,799	67,273,199	6,308,822	209,105,176	6,165,000
Net Pension Liability	2,842,576	379,510	-	3,222,086	-
Net OPEB Liability	3,311,635	1,148,698	-	4,460,333	-
Contracts Payable	19,459	-	19,459	-	-
Compensated Absences	3,441,817	298,345	-	3,740,162	-
Totals	\$ 157,756,286	\$ 69,099,752	\$ 6,328,281	\$ 220,527,757	\$ 6,165,000

General Obligation Debt

All general obligation debt is secured by the full faith and credit and unlimited taxing powers of the District. Long-term debt will be retired by future property tax levies and resources accumulated in the debt service fund.

General obligation debt at June 30, 2025 is comprised of the following individual issues:

	Governmental Activities				Balance 06/30/25
	Issue Dates	Interest Rates %	Dates of Maturity	Original amounts	
GO Refunding Bonds	11/07/11	2.15-4.00%	04/01/25	\$ 4,475,000	\$ -
GO Refunding Bonds	04/03/13	2.00-2.50%	03/01/25	9,515,000	-
GO Bonds	05/11/15	3.25%	04/01/35	9,990,000	8,020,000
GO Bonds	06/08/15	3.00-5.00%	04/01/31	34,800,000	25,155,000
GO Refunding Bonds	02/04/16	1.00-2.00%	04/01/26	9,995,000	995,000
GO Improvement Bonds	12/29/22	4.00%	04/01/42	9,980,000	9,980,000
GO Promissory Notes	02/01/23	3.25-6.00%	04/01/28	99,000,000	96,000,000
G.O. Improvement Bonds	12/30/24	4.375%	04/01/44	14,020,000	14,020,000
Bond Anticipation Notes	04/01/25	3.625%	04/01/30	52,000,000	52,000,000
Total general obligation debt				\$ 243,775,000	\$ 206,170,000

Waunakee Community School District

Notes to Financial Statements

Note 7: Long-Term Obligations (Continued)

The 2024 equalized valuation of the District as certified by the Wisconsin Department of Revenue is \$5,278,474,467. The legal debt limit and margin of indebtedness as of June 30, 2025, in accordance with Section 67.03(1)(a) of the Wisconsin Statutes, are as follows:

Debt limit (10% of \$5,278,474,467)	\$ 527,847,447
Deduct:	
Long-term debt applicable to debt margin	(206,170,000)
Add:	
Debt service fund assets available	7,107,230
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Margin of indebtedness	\$ 328,784,677

Debt service requirements to maturity on general obligation debt are as follows:

<i>Year Ended June 30:</i>	Bonds Payable	
	Principal	Interest
2026	\$ 6,165,000	\$ 6,230,619
2027	6,530,000	6,894,719
2028	102,730,000	6,698,819
2029	2,195,000	3,376,919
2030	54,230,000	3,308,325
2031-2035	10,320,000	5,969,738
2036-2040	6,835,000	4,538,075
2041-2042	17,165,000	2,314,281
Totals	\$ 206,170,000	\$ 39,331,495

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new debt in an irrevocable trust to provide for the future debt service payments in the old debt. Accordingly, the trust account assets and liability for the defeased bonds are not included in the District's financial statements. At June 30, 2025 \$1,970,000 of debt outstanding is considered defeased.

Waunakee Community School District

Notes to Financial Statements

Note 8: Net Position

Net position reported on the government wide statement of net position at June 30, 2025:

Governmental Activities:

Net investment in capital assets:

Land and other nondepreciable assets	\$ 69,987,623
Other capital assets, net of accumulated depreciation	141,028,254
Less: Related long-term debt outstanding (net of unspent proceeds)	(165,463,747)

Total net investment in capital assets	45,552,130
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Restricted:

Common school fund	\$ 44,517
Self-insurance	303,586
Debt service	5,806,874
Special revenue gifts	1,361,047
Community services	85,568

Total restricted	7,601,592
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Unrestricted	4,122,387
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Governmental activities net position	\$ 57,276,109
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Waunakee Community School District

Notes to Financial Statements

Note 9: Fund Balance

Fund balance reported on the balance sheet - governmental funds at June 30, 2025:

Nonspendable Fund Balance

Prepaid items	\$ 41,203
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Restricted Fund Balance

Common school fund	\$ 44,517
Self-insurance	303,586
Debt service	7,107,230
Capital improvements	43,641,429
Special revenue gifts	1,361,047
Community services	85,568
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Total restricted fund balance	\$ 52,543,377

Committed Fund Balance

Band uniform and parking lot replacement	\$ 530,235
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Assigned Fund Balance

Allocate unspent funds for next fiscal year	\$ 934,214
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Unassigned Fund Balance

General fund	\$ 5,627,425
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Total unassigned fund balance	\$ 5,627,425

Waunakee Community School District

Notes to Financial Statements

Note 10: Employee Retirement Plans - Wisconsin Retirement System

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, and expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

Vesting

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

Benefits Provided

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to receive 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.

Waunakee Community School District

Notes to Financial Statements

Note 10: Employee Retirement Plans - Wisconsin Retirement System (Continued)

Postretirement Adjustments

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

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

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, and executives and elected officials. Starting on January 1, 2016, the executive and elected officials category was merged into the general employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$3,032,610 in contributions from the employer.

Waunakee Community School District

Notes to Financial Statements

Note 10: Employee Retirement Plans - Wisconsin Retirement System (Continued)

Contribution rates as of June 30, 2025, are as follows:

Employee Category	Employee	Employer
General, Teachers, executives, and elected officials)	6.95%	6.95%
Protective Occupation with Social Security	6.95%	14.95%
Protective Occupation without Social Security	6.95%	18.95%
Act 4 Protective County Jailers	14.95%	6.95%

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

At June 30, 2025, the District reported an liability of \$3,222,086 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, rolled forward to December 31, 2024. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2024, the District's proportion was 0.19609018%, which was an increase of 0.00490338% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized pension expense of \$4,301,376.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,006,340	\$ 9,402,821
Net differences between projected and actual earnings on pension plan investments	4,896,131	-
Change in assumptions	956,055	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	82,965
Employer contributions subsequent to the measurement date	1,766,636	-
Total	\$ 17,625,162	\$ 9,485,786

Waunakee Community School District

Notes to Financial Statements

Note 10: Employee Retirement Plans - Wisconsin Retirement System (Continued)

\$1,766,636 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	Net Deferred Outflows (Inflows) of Resources
2026	1,909,667
2027	6,653,370
2028	(1,670,036)
2029	(520,261)

Actuarial Assumptions

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

Actuarial valuation date	December 31, 2023
Measurement date of net pension liability (asset)	December 31, 2024
Experience study	January 1, 2021 - December 31, 2023 Published November 19, 2024
Actuarial cost method	Entry age
Asset valuation method	Fair value
Long-term expected rate of return	6.8%
Discount rate	6.8%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.7%
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. Includes the impact of known Market Recognition Account deferred gains/losses on the liability for dividend payments.*

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

Waunakee Community School District

Notes to Financial Statements

Note 10: Employee Retirement Plans - Wisconsin Retirement System (Continued)

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

Asset Allocation Targets and Expected Returns

As of December 31, 2024

Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Core fund:			
Public equity	38.0%	7.0%	4.3%
Public Fixed income	27.0%	6.1%	3.4%
Private Equity/Debt	20.0%	9.5%	6.7%
Inflation sensitive assets	19.0%	4.8%	2.1%
Real estate	8.0%	6.5%	3.8%
Leverage	(12.0)%	3.7%	1.1%
Total core fund	100.0%	7.5%	4.8%
Variable fund:			
U.S. equities	70.0%	6.5%	3.8%
International equities	30.0%	7.4%	4.7%
Total variable fund	100.0%	6.9%	4.2%

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

New England Pension Consultants Long-Term U.S. CPI (Inflation) Forecast: 2.60%

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%.

Waunakee Community School District

Notes to Financial Statements

Note 10: Employee Retirement Plans - Wisconsin Retirement System (Continued)

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

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

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
District's proportionate share of the net pension liability (asset)	\$ 30,227,375	\$ 3,222,086	\$(15,964,397)

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>.

Waunakee Community School District

Notes to Financial Statements

Note 11: Other Postemployment Benefits

Plan description - The District provides other post-employment benefits (OPEB) for its employees through a single-employer defined benefit plan that provides postemployment health insurance benefits to eligible employees and their spouses. Benefits and eligibility are established by the Board of Education.

Teachers who have been employed by the District at least 15 years and who have reached the age of 55 are eligible to receive retirement benefits. Teachers hired after April 1, 2008 receive a credit of \$1,000 per year of service to the District to be used to fund a post-employment Health Reimbursement Account (HRA). Teachers hired before April 1, 2008 receive a credit of \$1,200 per year of service to the District to be used to fund a post-employment HRA.

Administrators are eligible for retirement benefits at age 55. The District contributes to health, dental, and life insurance via a Health Reimbursement Account (HRA) for a maximum of 10 years or the age the retired employee is eligible for Medicare, whichever comes first. Premiums contributed are based on a vesting schedule. Vesting varies based on years of services. For employees with less than 6 years of service no premium is contributed. After 6 years, 10% of the premium is contributed for each additional year of services up to 10%. Employees are fully vested at 15 years. Administrators hired after April 1, 2011, will have a deposit to an HRA based on number of hours worked.

Employees covered by benefit terms - At June 30, 2024, the date of the latest actuarial valuation, there were 585 active plan members and 50 inactive plan members eligible to receive OPEB benefits.

Contributions -Contribution requirements are established through past practices and may be amended by the action of the Board of Education. The Board establishes rates based on an actuarially determined rate. Plan members are not required to contribute to the plan.

Actuarial assumptions - The net OPEB liability was determined by an actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date	June 30, 2024
Measurement date	June 30, 2025
Actuarial Cost Method	Entry Age Normal (level percent of salary)
Inflation	2.50%
Discount Rate	2.25%
Healthcare cost trend rates	7.00% decreasing to 6.50%, then decreasing by 0.10% per year down to 4.50%, and level thereafter
Actuarial Assumptions	Based on an experience study conducted in 2021 using Wisconsin Retirement System (WRS) experience from 2018-20
Mortality Assumptions	Wisconsin 2020 Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010.

Waunakee Community School District

Notes to Financial Statements

Note 11: Other Postemployment Benefits (Continued)

Discount rate - The discount rate of 2.25% 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 was based upon the District's asset allocation and expected nominal return as of June 30, 2025.

Changes in the Net OPEB Liability (Asset)

<i>Changes in Net OPEB Liability</i>	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances at June 30, 2024	\$ 6,453,708	\$ 3,142,073	\$ 3,311,635
Changes for the year:			
Service cost	405,028	-	405,028
Interest	139,316	-	139,316
Differences between expected and actual experience	594,763	-	594,763
Contributions - Employer	-	457,423	(457,423)
Net investment income	-	49,520	(49,520)
Benefit payments	(928,766)	(928,766)	-
Adjustment	-	(516,534)	516,534
Net changes	210,341	(938,357)	1,148,698
Balances at June 30, 2025	\$ 6,664,049	\$ 2,203,716	\$ 4,460,333

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 (1.25%) or 1 percentage point higher (3.25%) than the current rate:

	1% Decrease (1.25%)	Current Discount Rate (2.25%)	1% Increase (3.25%)
Net OPEB liability	\$ 4,765,578	\$ 4,460,333	\$ 4,161,026

Waunakee Community School District

Notes to Financial Statements

Note 11: Other Postemployment Benefits (Continued)

The following presents the District's net OPEB liability calculated using the health care cost trend rate of 7.0% decreasing to 4.5%, as well as what the District's net OPEB liability would be if it were calculated using the health care cost trend rate that is 1 percentage point lower (6.0% decreasing to 3.5%) or 1 percentage point higher (8.0% decreasing to 5.5%) than the current rate:

	1% Decrease (6.0% in Year 1 then 5.5% decreasing to 3.5%)		Health Care Cost Trend Rates (7.0% in Year 1 then 6.5% decreasing to 4.5%)		1% Increase (8.0% in Year 1 then 7.5% decreasing to 5.5%)
Net OPEB liability	\$ 4,177,877	\$	4,460,333	\$	4,780,989

For the year ended June 30, 2025, the District recognized OPEB expense of \$832,551.

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

	Deferred Outflows of Resources		Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,084,762	\$	1,148,867
Changes in assumptions	863,806		567,258
Net difference between projected and actual earnings on OPEB plan investments	40,072		-
Total	\$ 1,988,640	\$	1,716,125

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

	Deferred Inflows of Resources
2026	(100,628)
2027	(105,224)
2028	65,508
2029	49,183
2030	46,010
Thereafter	317,666

Waunakee Community School District

Notes to Financial Statements

Note 12: Reconciliation of Deferred Outflows and Inflows

The tables below reconciles the deferred outflows and inflows from the Notes to the financial statements:

	Deferred Outflows	Deferred Inflows
Employee Retirement Plans - Wisconsin Retirement System	\$ 17,625,162	\$ 9,485,786
Other Postemployment Benefits - Healthcare Plan	1,988,640	1,716,125
Total	\$ 19,613,802	\$ 11,201,911

Note 13: Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation for which the District carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There was no significant reduction in the District's insurance coverage in fiscal 2025.

Required Supplementary Information

Waunakee Community School District
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2025

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Property taxes	\$ 33,383,590	\$ 33,383,590	\$ 33,383,590	\$ -
Other local sources	1,678,288	1,732,288	1,678,075	(54,213)
Interdistrict sources	2,553,134	2,558,805	2,640,855	82,050
Intermediate sources	-	-	5,800	5,800
State sources	29,131,250	29,200,707	29,069,563	(131,144)
Federal sources	618,240	739,684	488,138	(251,546)
Other sources	343,883	1,020,690	836,066	(184,624)
Total revenues	67,708,385	68,635,764	68,102,087	(533,677)
Expenditures:				
Instruction:				
Regular instruction	29,887,444	29,574,016	29,803,223	(229,207)
Vocational instruction	2,387,078	2,397,694	2,370,326	27,368
Other instruction	2,615,857	2,827,700	2,845,843	(18,143)
Total instruction	34,890,379	34,799,410	35,019,392	(219,982)
Support services:				
Pupil services	2,076,458	2,065,128	2,101,382	(36,254)
Instructional staff services	4,919,937	4,934,606	5,068,364	(133,758)
General administration	1,319,531	1,497,516	1,551,756	(54,240)
Building administration	4,224,234	4,221,544	4,153,101	68,443
Business services	9,018,995	9,046,375	8,257,421	788,954
Central services	129,036	128,846	140,113	(11,267)
Insurance	369,000	449,000	445,673	3,327
Other support services	3,056,199	2,899,964	2,783,769	116,195
Total support services	25,113,390	25,242,979	24,501,579	741,400
Debt service				
Principal	25,000	25,000	17,742	7,258
Interest	411,103	661,103	632,832	28,271
Total expenditures	60,439,872	60,728,492	60,171,545	556,947
Excess of revenues over expenditures	7,268,513	7,907,272	7,930,542	(23,270)
Other financing uses:				
Transfers out	(7,268,513)	(7,907,272)	(7,930,542)	(23,270)
Net change in fund balance	-	-	-	-
Fund balance - Beginning of year	7,481,180	7,481,180	7,481,180	-
Fund balance - End of year	\$ 7,481,180	\$ 7,481,180	\$ 7,481,180	\$ -

See Independent Auditor's Report.

See accompanying notes to budgetary comparison schedule.

Waunakee Community School District

Notes to Budgetary Comparison Schedule - General Fund

Note 1: Budgetary Information

Budgets are adopted each fiscal year for all funds in accordance with Section 65.90 of the Wisconsin Statutes, using the budgetary accounting basis prescribed by the Wisconsin Department of Public Instruction (DPI). The legally adopted budget and budgetary expenditure control are exercised at the two-digit subfunction level in the General Fund and at the function 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 a public hearing will be held on the proposed budget.
- Pursuant to the public budget hearing, the School Board may make alterations to the proposed budget.
- Once the School Board (following the public hearing) adopts the budget, no changes may be made in the amount of tax to be levied or in the amount of the various appropriations and the purposes of such appropriations unless authorized by a 2/3 vote of the entire School Board.

Appropriations lapse at year-end unless authorized as a carryover by the School Board. The portion of fund balance representing carryover appropriations is reported as an assigned fund balance.

Waunakee Community School District

Notes to the Budgetary Comparison Schedule - General Fund (Continued)

Note 2: Budgetary Comparisons

GAAP requires a budgetary comparison for the General Fund and each major special revenue fund.

Required comparisons are between the final budget and actual on a budgetary basis. The "original budget" represents the budget as approved by the school board after it sets the tax to be levied for the fiscal year. The "final budget" is the "original budget" adjusted for any budget amendments approved by the school board during the fiscal year and up to the time the financial statements are ready to be issued. The "actual on a budgetary basis" excludes the revenues, expenditures, and other financing sources/(uses) of the special education fund, which is treated as a special revenue fund for budgetary purposes. The following schedule reconciles the "budgetary basis" revenues and expenditures of the *budgetary comparison schedule - general fund* to the *governmental funds - statement of revenues, expenditures, and changes in fund balances*:

	General Fund	Special	General Fund
	Actual on	Education	Actual on
	Budgetary	Fund	GAAP Basis
	Basis		
Revenues	\$ 68,102,087	\$ 4,610,698	\$ 72,712,785
Expenditures	(60,171,545)	(12,359,956)	(72,531,501)
Other financing sources (uses)	(7,930,542)	7,749,258	(181,284)
Net change in fund balance	\$ -	\$ -	\$ -

Note 3: Excess of Expenditures Over Appropriations

For the year ended June 30, 2025, the General Fund had expenditures in excess of appropriations for the following two-digit subfunction categories:

	Budget	Actual	Actual Over
			Budget
Regular curriculum	\$ 29,574,016	\$ 29,803,222	\$ 229,206
Other instruction	2,827,700	2,845,843	18,143
Pupil services	2,065,128	2,101,382	36,254
Instructional staff services	4,934,606	5,068,364	133,758
General administration	1,497,516	1,551,756	54,240
Central services	128,846	140,113	11,267

Waunakee Community School District

Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset) and Employer Contributions - Wisconsin Retirement System

Last 10 Years

Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset) Wisconsin Retirement System (WRS)

Last 10 Calendar Years

Measurement Date December 31,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Covered Payroll	Districts Proportionate Share of the Net Pension Liability (Asset) as a Percentage of it's Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.19609018 %	\$ 3,222,086	\$ 42,323,775	7.61 %	98.79 %
2023	0.19118680	2,842,576	38,202,771	7.44	98.85
2022	0.18605452	9,856,617	34,670,657	28.43	95.72
2021	0.18302477	(14,752,133)	31,878,460	(46.28)	106.02
2020	0.18163655	(11,339,821)	30,376,745	(37.33)	105.26
2019	0.18037600	(5,816,148)	29,182,831	(19.93)	102.96
2018	0.17849100	6,350,158	27,774,660	22.86	96.45
2017	0.17547800	(5,210,156)	26,449,566	(19.70)	102.93
2016	0.17053400	1,406,103	25,521,523	5.51	99.12
2015	0.16757700	2,723,101	24,804,900	10.98	98.20

Schedule of the Employer Contributions Wisconsin Retirement System (WRS)

Last 10 Fiscal Years

Year Ended June 30,	Contractually Required Contributions for the Fiscal Period	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll for the Fiscal Year	Contributions as a Percentage of Covered Payroll
2025	\$ 3,032,610	\$ 3,032,610	\$ -	\$ 43,766,660	6.93 %
2024	2,817,676	2,817,676	-	41,083,826	6.86
2023	2,319,945	2,319,945	-	34,780,770	6.67
2022	2,204,478	2,204,478	-	33,385,317	6.60
2021	2,069,015	2,069,015	-	30,651,834	6.75
2020	1,911,485	1,911,485	-	30,064,495	6.36
2019	1,860,902	1,860,902	-	27,998,578	6.65
2018	1,798,630	1,798,630	-	27,270,041	6.60
2017	1,798,630	1,798,630	-	25,956,056	6.93
2016	1,657,559	1,657,559	-	25,521,523	6.49

Waunakee Community School District

Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset) and Employer Contributions - Wisconsin Retirement System

Last 10 Years

Notes to the Schedules:

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 Independent Auditor's Report.

Waunakee Community School District

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

	2024	2023	2022	2021	2020
Valuation Date:	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed 68
Amortization Method:	Amortization Period	Amortization Period	Amortization Period	Amortization Period	Amortization Period
	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Amortization Period:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Asset Valuation Method:					
Net Investment Rate of Return:	5.4%	5.4%	5.4%	5.4%	5.4%
Pre-retirement:	6.8%	6.8%	7.0%	7.0%	7.0%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Wage Inflation:	3.0%	3.0%	3.0%	3.0%	3.0%
Seniority/Merit:	0.1%-5.7%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	1.7%	1.7%	1.9%	1.9%	1.9%

Waunakee Community School District

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

	2024	2023	2022	2021	2020
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2021 valuation pursuant to an experience study of the period 2018-2020.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2021 valuation pursuant to an experience study of the period 2018-2020.	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.
Mortality:	2020 WRS Experience Tables. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2021 fully generational improvement scale from a base year of 2010.	2020 WRS Experience Tables. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2021 fully generational improvement scale from a base year of 2010.	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).

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

Waunakee Community School District

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

	2019	2018	2017	2016	2015
Valuation Date:	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed ⁷⁰
Amortization Method:	Amortization Period	Amortization Period	Amortization Period	Amortization Period	Amortization Period
	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Amortization Period:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Asset Valuation Method:					
Actuarial Assumptions					
Net Investment Rate of Return:	5.5%	5.5%	5.5%	5.5%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	7.2%	7.2%	7.2%	7.2%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.2%	3.2%	3.2%	3.2%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	2.1%	2.1%	2.1%	2.1%	2.1%

Waunakee Community School District

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

Year Ended June 30, 2025	2019	2018	2017	2016	2015
Retirement Age:	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014.	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014.	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.
Mortality:	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality.	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality.

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

Waunakee Community School District
Schedule of Changes in Net OPEB Liability and
Related Ratios
Last 10 Fiscal Years

Fiscal Year Ending - June 30,	2025	2024	2023	2022	2021
Total OPEB Liability					
Service cost	\$ 405,028	\$ 505,558	\$ 494,433	\$ 328,636	\$ 321,404
Interest	139,316	198,045	185,668	148,788	147,771
Change in benefit terms	-	(1,482,518)		413,577	-
Differences between expected and actual experience	594,763	(924,823)	627,269	85,524	-
Changes in assumptions or other inputs	-	(219,861)		1,300,971	-
Benefit payments	(928,766)	(343,861)	(1,181,825)	(260,684)	(594,519)
Net Change in OPEB Liability	210,341	(2,267,460)	125,545	2,016,812	(125,344)
Total OPEB liability - beginning	\$ 6,453,708	8,721,168	8,595,623	6,578,811	6,704,155
Total OPEB liability - ending	\$ 6,664,049	\$ 6,453,708	\$ 8,721,168	\$ 8,595,623	\$ 6,578,811
Plan Fiduciary Net Position					
Contributions - employer	\$ 457,423	\$ 402,420	\$ 912,701	\$ 331,201	\$ 489,885
Net investment income	49,520	47,206	46,030	50,184	376,591
Benefit payments	(928,766)	(343,861)	(1,181,825)	(260,684)	(594,519)
Adjustment	(516,534)	(38)	(47)	(77,561)	-
Net Change in Plan Fiduciary Net Position	(938,357)	105,727	(223,141)	43,140	271,957
Plan Fiduciary Net Position - beginning	\$ 3,142,073	3,036,346	3,259,487	3,216,347	2,944,390
Plan Fiduciary Net Position - ending	\$ 2,203,716	\$ 3,142,073	\$ 3,036,346	\$ 3,259,487	\$ 3,216,347
Net OPEB Liability	\$ 4,460,333	\$ 3,311,635	\$ 5,684,822	\$ 5,336,136	\$ 3,362,464
Plan fiduciary net position as a percentage of the total OPEB liability					
	33.07%	48.69%	34.82%	37.92%	48.89%
Covered payroll	\$38,103,191	\$ 38,103,191	\$ 29,404,464	\$29,404,464	\$ 29,189,262
Net OPEB liability as a percentage of covered payroll					
	11.71%	8.69%	19.33%	18.15%	11.52%

See Independent Auditor's Report.

Waunakee Community School District
Schedule of Changes in Net OPEB Liability and
Related Ratios
Last 10 Fiscal Years

Fiscal Year Ending - June 30,	2020	2019	2018	2017	2016
Total OPEB Liability					
Service cost	\$ 431,620	\$ 400,957	\$ 600,092	\$ 582,614	\$ 549,170
Interest	254,740	254,812	242,874	237,452	225,676
Change in benefit terms	-	-	-	-	-
Differences between expected and actual experience	(899,814)	-	194,262	(365,688)	(5,292)
Changes in assumptions or other inputs	(2,933)	119,726	(1,950,182)	-	-
Benefit payments	(283,885)	(331,177)	(245,382)	(102,465)	(352,833)
Net Change in OPEB Liability	(500,272)	444,318	(1,158,336)	351,913	416,721
Total OPEB liability - beginning	7,204,427	6,760,109	7,918,445	7,566,532	7,149,811
Total OPEB liability - ending	\$ 6,704,155	\$ 7,204,427	\$ 6,760,109	\$ 7,918,445	\$ 7,566,532
Plan Fiduciary Net Position					
Contributions - employer	\$ 587,108	\$ 587,220	\$ 564,841	\$ 589,384	\$ 508,468
Net investment income	50,452	37,175	12,416	8,322	5,441
Benefit payments	(283,885)	(331,177)	(245,382)	(102,465)	(352,833)
Adjustment - Note 1	-	-	1,136,646	-	-
Net Change in Plan Fiduciary Net Position	353,675	293,218	1,468,521	495,241	161,076
Plan Fiduciary Net Position - beginning	2,590,715	2,297,497	828,976	333,735	172,659
Plan Fiduciary Net Position - ending	\$ 2,944,390	\$ 2,590,715	\$ 2,297,497	\$ 828,976	\$ 333,735
Net OPEB Liability	\$ 3,759,765	\$ 4,613,712	\$ 4,462,612	\$ 7,089,469	\$ 7,232,797
Plan fiduciary net position as a percentage of the total OPEB liability					
	43.92%	35.96%	33.99%	10.47%	4.41%
Covered payroll	\$29,189,262	\$26,556,897	\$26,556,897	\$25,638,082	\$23,967,500
Net OPEB liability as a percentage of covered payroll					
	12.88%	17.37%	16.80%	27.65%	30.18%

See Independent Auditor's Report.

Waunakee Community School District

Schedule of Employer Contributions - OPEB

Last 10 Fiscal Years

Fiscal Year Ending	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Actual Contribution as a Percentage of Covered Employee Payroll
6/30/2025	\$ 515,461	\$ 457,423	58,038	38,103,191	1.20%
6/30/2024	934,322	402,420	531,902	38,103,191	1.06%
6/30/2023	907,109	912,701	(5,592)	29,404,464	3.10%
6/30/2022	456,976	331,201	125,775	29,404,464	1.13%
6/30/2021	443,666	489,885	(46,219)	29,189,262	1.68%
6/30/2020	587,108	587,108	-	29,189,262	2.01%
6/30/2019	666,290	587,220	79,070	26,556,897	2.21%
6/30/2018	816,351	564,841	251,510	26,556,897	2.13%
6/30/2017	816,351	102,465	713,886	25,638,082	0.40%
6/30/2016	516,717	508,468	8,249	23,967,500	2.12%

Notes to Schedule:

Valuation date: 6/30/2024

Method and assumptions used to determine contributions rates:

Actuarial cost method	Entry age normal
Amortization method	30 year Level %
Asset valuation method	Market value
Inflation	2.5 percent
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	2.25 percent
Actuarial assumptions	Based on an experience study conducted in 2021 using Wisconsin Retirement (WRS) experience from 2018-20
Mortality assumptions	2020 WRS Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection case from a base year of 2010

See Independent Auditor's Report.

Supplementary Financial Information

Waunakee Community School District
Combining Balance Sheet - General Fund
June 30, 2025

	General Operating Fund	Special Education Fund	Total General Fund
Assets:			
Cash and investments	\$ 9,790,128	\$ -	\$ 9,790,128
Receivables:			
Accounts	157,087	319	157,406
Taxes	12,441,345	-	12,441,345
Prepaid items	40,933	270	41,203
Due from other funds	4,335,814	(338,037)	3,997,777
Due from other governments	182,600	337,691	520,291
Total assets	\$ 26,947,907	\$ 243	\$ 26,948,150
Liabilities:			
Short-term notes payable	\$ 13,000,000	\$ -	\$ 13,000,000
Accounts payable	215,874	243	216,117
Accrued payroll	1,212,530	-	1,212,530
Accrued interest	482,007	-	482,007
Due to other funds	4,449,465	-	4,449,465
Medical claims payable	106,851	-	106,851
Total liabilities	19,466,727	243	19,466,970
Fund balances:			
Nonspendable	40,933	-	40,933
Restricted	348,103	-	348,103
Committed	530,235	-	530,235
Assigned	934,214	-	934,214
Unassigned	5,627,695	-	5,627,695
Total fund balances	7,481,180	-	7,481,180
Total liabilities and fund balances	\$ 26,947,907	\$ 243	\$ 26,948,150

See Independent Auditor's Report.

Waunakee Community School District
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - General Fund
Year Ended June 30, 2025

	General Operating Fund	Special Education Fund	Total General Fund
Revenues:			
Property taxes	\$ 33,383,590	\$ -	\$ 33,383,590
Other local sources	1,678,075	-	1,678,075
Interdistrict sources	2,640,855	-	2,640,855
Intermediate sources	5,800	5,827	11,627
State sources	29,069,563	3,430,741	32,500,304
Federal sources	488,138	1,174,130	1,662,268
Other sources	836,066	-	836,066
Total revenues	68,102,087	4,610,698	72,712,785
Expenditures:			
Instruction:			
Regular instruction	29,803,223	141,024	29,944,247
Vocational instruction	2,370,326	-	2,370,326
Special instruction	-	9,273,881	9,273,881
Other instruction	2,845,843	-	2,845,843
Total instruction	35,019,392	9,414,905	44,434,297
Support services:			
Pupil services	2,101,382	1,938,865	4,040,247
Instructional staff services	5,068,364	679,463	5,747,827
General administration	1,551,756	248	1,552,004
Building administration	4,153,101	-	4,153,101
Business services	8,257,421	286,570	8,543,991
Central services	140,113	10,070	150,183
Insurance	445,673	29,835	475,508
Other support services	2,783,769	-	2,783,769
Total support services	24,501,579	2,945,051	27,446,630
Debt service:			
Principal	19,459	-	19,459
Interest	631,115	-	631,115
Total expenditures	60,171,545	12,359,956	72,531,501
Excess of revenues over (under) expenditures	7,930,542	(7,749,258)	181,284
Other financing sources:			
Transfers out	(7,930,542)	7,749,258	(181,284)
Net change in fund balances	-	-	-
Fund balances - Beginning of year	7,481,180	-	7,481,180
Fund balances - End of year	\$ 7,481,180	\$ -	\$ 7,481,180

See Independent Auditor's Report.

Waunakee Community School District
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Gift Fund	School Nutrition Services Fund	Cooperative Program Fund	Community Service Fund	Total Nonmajor Governmental Funds
Assets:					
Cash and investments	\$ 1,409,908	\$ -	\$ 6,489	\$ -	\$ 1,416,397
Accounts receivable	27,701	113,312	-	-	141,013
Taxes	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
Due from other funds	-	98,715	-	740,000	838,715
Due from other governments	1,750	10,390	-	6,624	18,764
Total assets	\$ 1,439,359	\$ 222,417	\$ 6,489	\$ 746,624	\$ 2,414,889
Liabilities:					
Accounts payable	\$ 58,619	\$ 2,961	\$ 6,489	\$ 41,358	\$ 109,427
Accrued payroll	15,753	-	-	161	15,914
Due to other funds	2,000	158,969	-	619,537	780,506
Unearned revenue	1,940	60,487	-	-	62,427
Total liabilities	78,312	222,417	6,489	661,056	968,274
Fund balances:					
Nonspendable	-	-	-	-	-
Restricted	1,361,047	-	-	85,568	1,446,615
Unassigned	-	-	-	-	-
Total fund balances	1,361,047	-	-	85,568	1,446,615
Total liabilities and fund balance	\$ 1,439,359	\$ 222,417	\$ 6,489	\$ 746,624	\$ 2,414,889

See Independent Auditor's Report.

Waunakee Community School District
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2025

	Special Revenue Gift Fund	School Nutrition Services Fund	Cooperative Program Fund	Community Service Fund	Total Nonmajor Governmental Funds
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ 740,000	\$ 740,000
Other local sources	1,224,666	2,640,950	-	98,358	3,963,974
Interdistrict sources	-	-	212,697	-	212,697
Federal sources	-	-	-	102,787	102,787
Other sources	-	-	-	-	-
Total revenues	1,224,666	2,640,950	212,697	941,145	5,019,458
Expenditures:					
Instruction:					
Regular instruction	49,187	-	-	-	49,187
Vocational instruction	3,121	-	-	-	3,121
Other instruction	923,101	-	-	-	923,101
Total instruction	975,409	-	-	-	975,409
Support services:					
Pupil services	14,615	-	-	-	14,615
Instructional staff services	73,474	-	211,866	-	285,340
Building administration services	-	-	-	138,105	138,105
Business services	49,598	2,822,004	-	61,434	2,933,036
Central services	-	-	-	47,946	47,946
Insurance	-	230	-	2,405	2,635
Other support services	-	-	831	685,070	685,901
Total support services	137,687	2,822,234	212,697	934,960	4,107,578
Total expenditures	1,113,096	2,822,234	212,697	934,960	5,082,987
Excess of revenues over (under) expenditures	111,570	(181,284)	-	6,185	(63,529)
Other financing sources:					
Transfers in	-	181,284	-	-	181,284
Net change in fund balances	111,570	-	-	6,185	117,755
Fund balances - Beginning of year	1,249,477	-	-	79,383	1,328,860
Fund balances - End of year	\$ 1,361,047	\$ -	\$ -	\$ 85,568	\$ 1,446,615

See Independent Auditor's Report.

Other Reports

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit Performed in Accordance with *Government Auditing Standards*

Board of Education
Waunakee Community School District
Waunakee, Wisconsin

We have audited, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Waunakee Community School District (the "District") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 12, 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of This Report

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

Wipfli LLP

Wipfli LLP

December 12, 2025
Madison, Wisconsin

Waunakee Community School District

Schedule of Findings and Responses

Year Ended June 30, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to the financial statements noted?	No

Section II - Financial Statement Findings

None.

Section III - Other Issues

Was a Management Letter or other document conveying audit comments issued as a result of this audit?	Yes
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Name of Partner



Brian Anderson

Date

December 12, 2025



WAUNAKEE

COMMUNITY SCHOOL DISTRICT

**Preliminary
Budget Planning
2026-27 School Year**

**Budget Committee Meeting
January 5th, 2026**

I. 2026-2027 BUDGET TIMELINE

December 1	Review enrollment projection scenarios with the Budget Committee Review budget planning process with the Budget Committee
December 16	Review budget planning process with the Administrative Cabinet
January 5	Review expenditure projection scenarios and open enrollment capacity with the Budget Committee
January 12	Present open enrollment capacity to School Board for approval
March 2-6	Present draft of the budget planning process to the Budget Committee
March 9	Present budget planning process to the School Board for approval
March 10	Distribute approved budget planning process to the administrative cabinet
March 15 – Apr. 15	Building/department level budget development
April 1-30	Preparation of the first draft of the budget Budget meetings with administrators as necessary
May 4-8	First draft of the budget to the Budget Committee
May 11	First draft of the budget to the School Board School Board approves 2026-27 student fees School Board approves 2026-27 insurance benefits
May 12-31	Staff presentations on the budget process
June 1-5	Second draft of the budget to the Budget Committee
June 8	Second draft of the budget to the School Board
July 1	State equalization aid estimates released by DPI
July 6-10	Third draft of the budget to the Budget Committee
July 13	Third draft of the budget to the School Board Public hearing on the budget during School Board meeting School Board approves budget to allow for summer activity
August 24	Presentation of the approved budget at the annual school district Budget Hearing. Request public approval of the tax levy at the Annual Meeting.
September 18	Third Friday in September student count
October 15	State equalization aid certification released by DPI
October 26	School Board makes any changes to the budget and sets the tax levy on or before November 1
Before Nov. 10	Certify tax levy by the School Board Clerk

II. ENROLLMENT HISTORY

History

Grade	2021-22	2022-23	2023-24	2024-25	2025-26
EC	12	15	18	13	15
4K	270	249	238	249	221
K	295	292	289	258	261
1	278	303	299	293	264
2	297	285	307	310	296
3	304	310	301	314	318
4	285	311	312	315	311
TOTAL	1741	1765	1764	1752	1686
ELEM					
5	326	294	320	328	333
6	318	342	300	332	334
TOTAL	644	636	620	660	667
INTER.					
7	349	330	346	310	338
8	303	354	329	354	308
TOTAL	652	684	675	664	646
MIDDLE					
9	316	314	374	334	364
10	348	318	304	366	334
11	341	347	318	303	363
12	349	350	351	332	309
TOTAL	1354	1329	1347	1335	1370
HIGH					
TOTAL	4391	4414	4406	4411	4369
DISTRICT					

Enrollment History is from the Third Friday in September Count
(Residents plus Open Enrollment-In)

Enrollment Increase “New” Students

- **2021-22** **1.1%**
- **2022-23** **2.4%**
- **2023-24** **-1.0%**
- **2024-25** **1.9%**
- **2025-26** **-1.0%**
- **Five-year average is 0.68%**

Enrollment increase is calculated by removing the 12th grade students, adding in K students, and adding in 20 students in 7th grade (St. John’s students). The difference between years is the increase in “new” students.

III. STAFFING

Staffing Classrooms K-6 – Ratios

2025-26 School Year

Grade	Total Nov 2025 enrolled	Sections				Student/Teacher Ratio	Optimum Class size*	Average Class size		
		Total	Arboretum	Heritage	Prairie			Arboretum	Heritage	Prairie
K	261	14	4	5	5	18.6	20	19.3	16.6	20.0
1	264	14	4	5	5	18.9	20	20.3	18.6	18.2
2	296	15	4	6	5	19.7	20	20.3	19.3	19.8
3	318	15	4	5	6	21.2	23	22.3	21.8	20.2
4	311	15	4	5	5	20.7	23	23.5	21.6	21.6
5	333	14				23.8	23			
6	334	15				22.3	23			
Total K-6	2117		20	26	26					

*The optimum class size is per Board Policy.

2025-26 Staffing Ratios

<u>School</u>	<u>Staff</u>	<u>Students</u>	<u>Ratio</u>
Arboretum	30.00	424 *	14.13
Prairie	39.00	522 *	13.38
Heritage	39.50	519 *	13.14
Intermediate	48.00	667	13.90
Middle School	56.50	646	11.43
High School	93.25	1370	14.69
Students with Disabilities	82.00	4369 **	53.28

* Does not include Early Childhood and 4K

**Students with Disabilities ratio is based on total enrollment

Historical Staffing Ratios

<u>School</u>	<u>21-22</u>	<u>22-23</u>	<u>23-24</u>	<u>24-25</u>	<u>25-26</u>
Arboretum	14.50	14.50	14.23	14.50	14.13
Prairie	13.45	14.03	13.41	13.62	13.38
Heritage	14.38	14.61	14.96	13.95	13.14
Intermediate	14.09	13.92	13.28	14.12	13.90
Middle School	12.99	13.68	13.11	11.96	11.43
High School	15.02	14.74	14.80	14.56	14.69
Students with Disabilities	60.99	57.32	53.73	53.79	53.28

K-4 ratios do not include Early Childhood and 4K

SWD ratio is based on total enrollment

IV. BUDGET FORECAST

Benefits of a Budget Forecast

- Recognize enrollment trends and the budgetary and facility impact
 - Acknowledge overall enrollment will remain consistent over time
- Understand revenue trends including the property tax impact
 - Acknowledge November 2024 referendum funds utilized in forecast
- Understand expenditure trends
 - Compensation goals from November 2024 referendum included
- Realize the future impact of current fiscal decision
 - Fund 10 fiscal challenges must be addressed
- Explore the outcomes of different data scenarios

Steps in the Budget Forecast

- Use enrollment projections to predict future enrollment scenarios
- Estimate revenue increases based on enrollment scenarios
- Estimate expenditure increases
- Analyze the outcomes and plan accordingly

Assumptions Made

- Current school finance system continues (revenue caps and per pupil aid)
- Enrollment projection scenarios are close to actual
- Salary costs increase at 5% in 26-27
- Health costs increase at 5% per year
- Dental costs increase at 0%
- Non-personnel costs do not increase except transportation (5%), utilities (5%), and district property insurance.
- 26-27 Revenues are based on a \$325 per student increase in the revenue limit formula and state special education categorical aid at 42% for 26-27.

Waukeke Community School District

Three-Year Enrollment Projections

Grade	3-Year Average			
	Residents	OE In	Total Students	OE Out
EC	15	0	15	0
4K	216	29	245	3
Kdg	219	24	243	1
1st	251	15	266	2
2nd	246	23	269	6
3rd	286	20	306	3
4th	305	18	323	5
5th	304	21	325	3
6th	318	23	341	0
7th	307	34	341	6
8th	317	23	340	7
9th	299	19	318	6
10th	339	19	358	11
11th	307	26	333	10
12th	353	19	372	17
Totals	4082	313	4395	80

Waunakee Community School District

V. 2026-27 PLANNING

Enrollment Information/Projection

Grade	September 2025 Count				November 2025				3-Year Average			
	Residents	OE In	Total Students	OE Out	Residents	OE In	Total Students	OE Out	Residents	OE In	Total Students	OE Out
EC	15	0	15	0	15	0	15	0	15	0	15	0
4K	191	30	221	3	191	30	221	3	216	29	245	3
Kdg	246	15	261	1	245	15	260	1	219	24	243	1
1st	240	24	264	4	241	24	265	4	251	15	266	2
2nd	277	19	296	3	277	19	296	3	246	23	269	6
3rd	301	17	318	2	302	17	319	2	286	20	306	3
4th	290	21	311	3	289	21	310	3	305	18	323	5
5th	314	19	333	0	312	19	331	0	304	21	325	3
6th	307	27	334	3	306	27	333	3	318	23	341	0
7th	316	22	338	5	317	22	339	6	307	34	341	6
8th	289	19	308	2	289	19	308	3	317	23	340	7
9th	344	20	364	5	345	20	365	5	299	19	318	6
10th	312	22	334	8	312	22	334	8	339	19	358	11
11th	344	19	363	15	344	19	363	17	307	26	333	10
12th	296	13	309	13	300	12	312	13	353	19	372	17
Totals	4082	287	4369	67	4085	286	4371	71	4082	313	4395	80

- OE In is open enrollment students attending WCSO
- The student count change between September 2025 and November 2025 was an increase of 2 students

Staffing Classrooms K-12 – Ratios

PRELIMINARY PROJECTIONS 2026-27

<u>K</u>	-	243	12 Sections [- 2 sections]	20.3 to 1	(20)
<u>1</u>	-	266	14 Sections [no change]	19.0 to 1	(20)
<u>2</u>	-	269	14 Sections [-1 section]	19.2 to 1	(20)
<u>3</u>	-	306	14 Sections [-1 section]	21.9 to 1	(23)
<u>4</u>	-	323	15 Sections [+1 section]	21.5 to 1	(23)
<u>5</u>	-	325	14 Sections [no change]	23.2 to 1	(23)
<u>6</u>	-	341	15 Sections [no change-monitor]	22.7 to 1	(23)

Our headcount indicates -3 sections for grades K-6.

7 th – 8 th grade	Sept 25	646 students/11.43 = 56.5 FTE
	Nov 25	647 students/11.43 = 56.6 FTE
	Sept 26	681 students/11.43 = 59.5FTE

9 th – 12 th grade	Sept 25	1,370 students/14.69 = 93.2 FTE
	Nov 25	1,374 students/14.69 = 93.5 FTE
	Sept 26	1,381 students/14.69 = 94.3 FTE

7th – 12th grade + 4 FTE

The actual change for grades 7-12 will be evaluated during the student registration process.

Staffing/Student Classrooms K-6 – Ratios

Projections 2026-27/Compared to 2025-26 Actual

<u>K</u>	-	<u>12 Sections- (-1 at Heritage, -1 at Prairie)</u>	
		Arboretum-	4
		Heritage-	4
		Prairie-	4
<u>1</u>	-	<u>14 Sections- (no change)</u>	
		Arboretum-	4
		Heritage-	5
		Prairie-	5
<u>2</u>	-	<u>14 Sections- (-1 at Heritage)</u>	
		Arboretum-	4
		Heritage-	5
		Prairie-	5
<u>3</u>	-	<u>14 Sections- (-1 at Prairie)</u>	
		Arboretum-	4
		Heritage-	5
		Prairie-	5
<u>4</u>	-	<u>15 Sections- (+1 at Prairie)</u>	
		Arboretum-	4
		Heritage-	5
		Prairie-	6
<u>K-4</u>	-	<u>Total (estimates indicate a -3.0 FTE in grades K-4)</u>	
		Arboretum-	20
		Heritage-	24
		Prairie-	25

Intermediate

5 - **14 Sections**

6 - **15 Sections**



(estimates no change at grades 5-6)

Staffing Classrooms K-6 – Ratios

2026-27 School Year

Grade	Estimated 26-27 Enrollment	Sections				Student/ Teacher Ratio	Optimum Class size*	Average Class size		
		Total	Arboretum	Heritage	Prairie			Arboretum	Heritage	Prairie
K	243	12	4	4	4	20.3	20	20.0	20.8	20.5
1	266	14	4	5	5	19.0	20	20.0	17.2	20.0
2	269	14	4	5	5	19.2	20	20.3	19.0	18.6
3	306	14	4	5	5	21.9	23	21.0	23.8	20.6
4	323	15	4	5	6	21.5	23	22.5	22.4	20.2
5	325	14				23.2	23			
6	341	15				22.7	23			
Total K-6	2073		20	24	25					

*The optimum class size is per Board Policy.

Fund 10 – “Big Picture Overview”

Current Scenario	Prior Years		Current	Projections				
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Enrollment Growth	0.2%	-0.3%	-0.9%	0.2%	-1.2%	0.3%	-0.6%	0.1%
Eq. Valuation Growth		8.3%	9.6%	6.0%	6.0%	6.0%	6.0%	6.0%
Rev. Limit/Member Incr.	325	325	325	325	325	325	325	325
Referendum	\$5,127,502	\$8,127,502	\$9,650,000	\$2,600,000	\$2,100,000	\$0	\$0	\$0
Fund 10 Revenues	\$64,018,308	\$68,102,085	\$71,192,701	\$74,485,842	\$75,890,765	\$77,031,433	\$78,463,403	\$79,774,057
Fund 10 Expenditures	\$64,559,224	\$68,102,085	\$71,192,701	\$74,526,613	\$77,946,206	\$81,604,585	\$85,346,258	\$89,160,559
Surplus (Deficit)	(\$540,916)	\$0	\$0	(\$40,771)	(\$2,055,441)	(\$4,573,152)	(\$6,882,855)	(\$9,386,502)
Fund Balance	\$7,481,181	\$7,481,181	\$7,481,181	\$7,440,410	\$5,384,968	\$811,816	(\$6,071,039)	(\$15,457,541)
Fund Balance %	11.6%	11.0%	10.5%	10.0%	6.9%	1.0%	-7.1%	-17.3%
Operating Expenses	\$68,767,429	\$72,712,783	\$77,491,249	\$82,494,544	\$86,168,095	\$90,093,131	\$94,114,793	\$98,223,083
Equalization Aid	\$24,685,494	\$24,634,807	\$23,334,386	\$22,516,448	\$21,885,406	\$19,624,908	\$17,845,776	\$15,184,983
Total Tax Levy	\$41,692,918	\$44,823,271	\$47,501,003	\$51,319,511	\$53,350,246	\$56,820,217	\$60,080,606	\$64,024,744
Mill Rate	\$8.97	\$8.90	\$8.60	\$8.77	\$8.60	\$8.64	\$8.62	\$8.67

- This overview includes the approved November 2024 operational referendum
- 26-27 open enrollment in does not reflect additional capacity. Capacity will be approved by school board in January 2026
- 26-27 open enrollment out includes an increase of 10 students above current levels
- Revenue assumptions:
 - \$325 per student on the revenue limit formula
 - 40% special education categorical aid
 - High cost categorical aid increases to 80%
 - Student enrollment per the 3-year average projection (+26)
 - November 2024 operational referendum fully utilized in 26-27

Expenditure assumptions:

- 5% increase in CPI/compensation systems
- Classified staff referendum approved pay increase
- 5% health insurance increase
- 5% increase for utilities and transportation
- Added middle school utilities in 26-27
- Added 3 FTE
- \$100,000 increase to district contingency
- Added NAMI contract back to maintenance budget

The following expenditure categories will need to be addressed:

- **Maintenance projects**

Enrollment Projections
for the
Waunakee Community School District

October 28, 2025

Prepared by:
Grade A Budgets, LLC

**Waunakee Community School District
Historic and Projected Headcount**

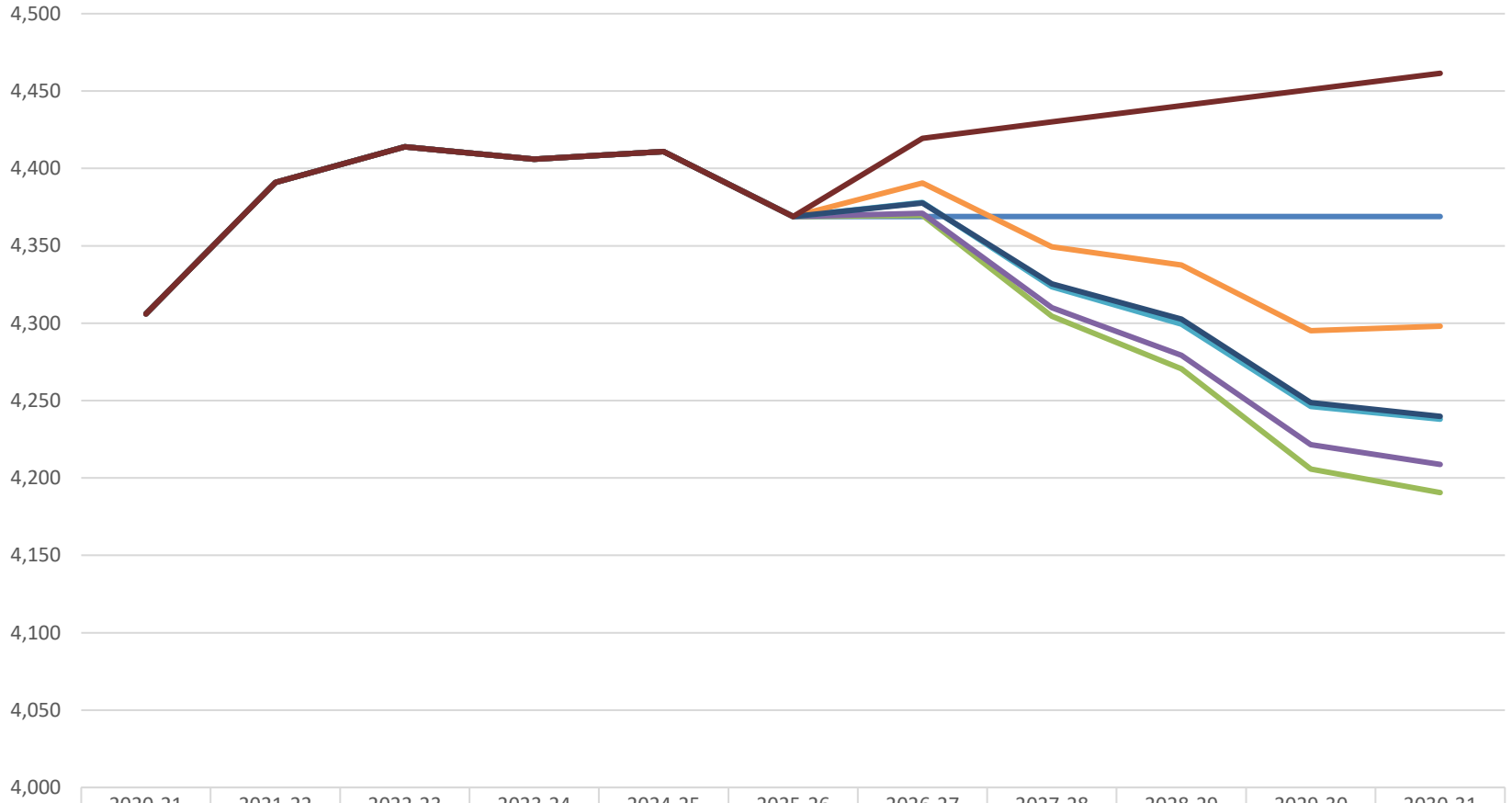
Historic and Projected Headcount - Waunakee Community School District											
Year	Actuals					Current	Projections				
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
No Changes	4,306	4,391	4,414	4,406	4,411	4,369	4,369	4,369	4,369	4,369	4,369
<i>Change</i>		85	23	-8	5	-42	0	0	0	0	0
2 Yr Avg	4,306	4,391	4,414	4,406	4,411	4,369	4,370	4,304	4,270	4,206	4,191
<i>Change</i>		85	23	-8	5	-42	1	-65	-34	-65	-15
3 Yr Avg	4,306	4,391	4,414	4,406	4,411	4,369	4,371	4,310	4,279	4,221	4,209
<i>Change</i>		85	23	-8	5	-42	2	-61	-31	-58	-13
4 Yr Avg	4,306	4,391	4,414	4,406	4,411	4,369	4,378	4,323	4,299	4,246	4,238
<i>Change</i>		85	23	-8	5	-42	9	-55	-24	-53	-8
5 Yr Avg	4,306	4,391	4,414	4,406	4,411	4,369	4,391	4,349	4,338	4,295	4,298
<i>Change</i>		85	23	-8	5	-42	22	-41	-12	-43	3
Baseline	4,306	4,391	4,414	4,406	4,411	4,369	4,378	4,325	4,303	4,249	4,240
<i>Change</i>		85	23	-8	5	-42	9	-52	-23	-54	-9
Linear Trend	4,306	4,391	4,414	4,406	4,411	4,369	4,420	4,430	4,441	4,451	4,461
<i>Change</i>		85	23	-8	5	-42	51	10	10	10	10

97

**Waunakee Community School District
Historic and Projected Full Time Equivalent (FTE)**

Historic and Projected FTE - Waunakee Community School District											
Year	Actuals					Current	Projections				
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
No Changes	4,026	4,084	4,118	4,125	4,106	4,061	4,061	4,061	4,061	4,061	4,061
<i>Change</i>		58	34	7	-19	-45	0	0	0	0	0
2 Yr Avg	4,026	4,084	4,118	4,125	4,106	4,061	4,043	3,949	3,915	3,843	3,815
<i>Change</i>		58	34	7	-19	-45	-18	-94	-34	-72	-28
3 Yr Avg	4,026	4,084	4,118	4,125	4,106	4,061	4,053	3,978	3,964	3,910	3,886
<i>Change</i>		58	34	7	-19	-45	-8	-75	-14	-54	-24
4 Yr Avg	4,026	4,084	4,118	4,125	4,106	4,061	4,066	3,999	3,978	3,924	3,908
<i>Change</i>		58	34	7	-19	-45	5	-67	-21	-54	-16
5 Yr Avg	4,026	4,084	4,118	4,125	4,106	4,061	4,078	4,023	4,013	3,977	3,985
<i>Change</i>		58	34	7	-19	-45	17	-55	-10	-36	8
Baseline	4,026	4,084	4,118	4,125	4,106	4,061	4,060	3,982	3,950	3,884	3,864
<i>Change</i>		58	34	7	-19	-45	-1	-78	-32	-66	-20
Linear Trend	4,026	4,084	4,118	4,125	4,106	4,061	4,113	4,119	4,129	4,136	4,144
<i>Change</i>		58	34	7	-19	-45	52	6	10	7	8

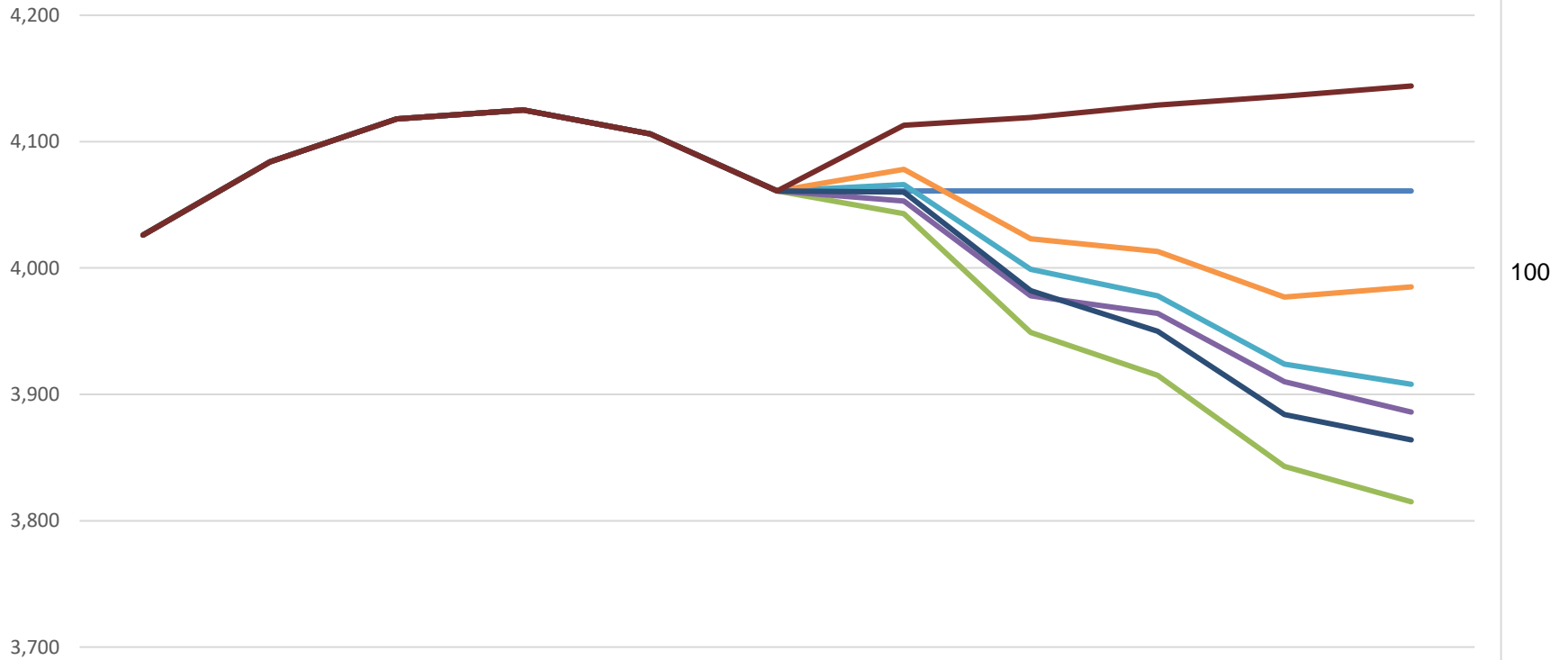
Historic and Projected Headcount - Waunakee Community School District



	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
No Changes	4,306	4,391	4,414	4,406	4,411	4,369	4,369	4,369	4,369	4,369	4,369
2 Yr Avg	4,306	4,391	4,414	4,406	4,411	4,369	4,370	4,304	4,270	4,206	4,191
3 Yr Avg	4,306	4,391	4,414	4,406	4,411	4,369	4,371	4,310	4,279	4,221	4,209
4 Yr Avg	4,306	4,391	4,414	4,406	4,411	4,369	4,378	4,323	4,299	4,246	4,238
5 Yr Avg	4,306	4,391	4,414	4,406	4,411	4,369	4,391	4,349	4,338	4,295	4,298
Baseline	4,306	4,391	4,414	4,406	4,411	4,369	4,378	4,325	4,303	4,249	4,240
Linear Trend	4,306	4,391	4,414	4,406	4,411	4,369	4,420	4,430	4,441	4,451	4,461

— No Changes
 — 2 Yr Avg
 — 3 Yr Avg
 — 4 Yr Avg
 — 5 Yr Avg
 — Baseline
 — Linear Trend

Historic and Projected FTE - Waunakee Community School District



	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
No Changes	4,026	4,084	4,118	4,125	4,106	4,061	4,061	4,061	4,061	4,061	4,061
2 Yr Avg	4,026	4,084	4,118	4,125	4,106	4,061	4,043	3,949	3,915	3,843	3,815
3 Yr Avg	4,026	4,084	4,118	4,125	4,106	4,061	4,053	3,978	3,964	3,910	3,886
4 Yr Avg	4,026	4,084	4,118	4,125	4,106	4,061	4,066	3,999	3,978	3,924	3,908
5 Yr Avg	4,026	4,084	4,118	4,125	4,106	4,061	4,078	4,023	4,013	3,977	3,985
Baseline	4,026	4,084	4,118	4,125	4,106	4,061	4,060	3,982	3,950	3,884	3,864
Linear Trend	4,026	4,084	4,118	4,125	4,106	4,061	4,113	4,119	4,129	4,136	4,144

— No Changes
 — 2 Yr Avg
 — 3 Yr Avg
 — 4 Yr Avg
 — 5 Yr Avg
 — Baseline
 — Linear Trend



WAUNAKEE

COMMUNITY SCHOOL DISTRICT

**Preliminary
Budget Planning
2026-27 School Year**

**Budget Committee Meeting
January 5th, 2026**

I. 2026-2027 BUDGET TIMELINE

December 1	Review enrollment projection scenarios with the Budget Committee Review budget planning process with the Budget Committee
December 16	Review budget planning process with the Administrative Cabinet
January 5	Review expenditure projection scenarios and open enrollment capacity with the Budget Committee
January 12	Present open enrollment capacity to School Board for approval
March 2-6	Present draft of the budget planning process to the Budget Committee
March 9	Present budget planning process to the School Board for approval
March 10	Distribute approved budget planning process to the administrative cabinet
March 15 – Apr. 15	Building/department level budget development
April 1-30	Preparation of the first draft of the budget Budget meetings with administrators as necessary
May 4-8	First draft of the budget to the Budget Committee
May 11	First draft of the budget to the School Board School Board approves 2026-27 student fees School Board approves 2026-27 insurance benefits
May 12-31	Staff presentations on the budget process
June 1-5	Second draft of the budget to the Budget Committee
June 8	Second draft of the budget to the School Board
July 1	State equalization aid estimates released by DPI
July 6-10	Third draft of the budget to the Budget Committee
July 13	Third draft of the budget to the School Board Public hearing on the budget during School Board meeting School Board approves budget to allow for summer activity
August 24	Presentation of the approved budget at the annual school district Budget Hearing. Request public approval of the tax levy at the Annual Meeting.
September 18	Third Friday in September student count
October 15	State equalization aid certification released by DPI
October 26	School Board makes any changes to the budget and sets the tax levy on or before November 1
Before Nov. 10	Certify tax levy by the School Board Clerk

II. ENROLLMENT HISTORY

History

Grade	2021-22	2022-23	2023-24	2024-25	2025-26
EC	12	15	18	13	15
4K	270	249	238	249	221
K	295	292	289	258	261
1	278	303	299	293	264
2	297	285	307	310	296
3	304	310	301	314	318
4	285	311	312	315	311
TOTAL	1741	1765	1764	1752	1686
ELEM					
5	326	294	320	328	333
6	318	342	300	332	334
TOTAL	644	636	620	660	667
INTER.					
7	349	330	346	310	338
8	303	354	329	354	308
TOTAL	652	684	675	664	646
MIDDLE					
9	316	314	374	334	364
10	348	318	304	366	334
11	341	347	318	303	363
12	349	350	351	332	309
TOTAL	1354	1329	1347	1335	1370
HIGH					
TOTAL	4391	4414	4406	4411	4369
DISTRICT					

Enrollment History is from the Third Friday in September Count
(Residents plus Open Enrollment-In)

Enrollment Increase “New” Students

- **2021-22** **1.1%**
- **2022-23** **2.4%**
- **2023-24** **-1.0%**
- **2024-25** **1.9%**
- **2025-26** **-1.0%**
- **Five-year average is 0.68%**

Enrollment increase is calculated by removing the 12th grade students, adding in K students, and adding in 20 students in 7th grade (St. John’s students). The difference between years is the increase in “new” students.

III. STAFFING

Staffing Classrooms K-6 – Ratios

2025-26 School Year

Grade	Total Nov 2025 enrolled	Sections				Student/Teacher Ratio	Optimum Class size*	Average Class size		
		Total	Arboretum	Heritage	Prairie			Arboretum	Heritage	Prairie
K	261	14	4	5	5	18.6	20	19.3	16.6	20.0
1	264	14	4	5	5	18.9	20	20.3	18.6	18.2
2	296	15	4	6	5	19.7	20	20.3	19.3	19.8
3	318	15	4	5	6	21.2	23	22.3	21.8	20.2
4	311	15	4	5	5	20.7	23	23.5	21.6	21.6
5	333	14				23.8	23			
6	334	15				22.3	23			
Total K-6	2117		20	26	26					

*The optimum class size is per Board Policy.

Waunakee Community School District

2025-26 Staffing Ratios

<u>School</u>	<u>Staff</u>	<u>Students</u>	<u>Ratio</u>
Arboretum	30.00	424 *	14.13
Prairie	39.00	522 *	13.38
Heritage	39.50	519 *	13.14
Intermediate	48.00	667	13.90
Middle School	56.50	646	11.43
High School	93.25	1370	14.69
Students with Disabilities	82.00	4369 **	53.28

* Does not include Early Childhood and 4K

**Students with Disabilities ratio is based on total enrollment

Historical Staffing Ratios

<u>School</u>	<u>21-22</u>	<u>22-23</u>	<u>23-24</u>	<u>24-25</u>	<u>25-26</u>
Arboretum	14.50	14.50	14.23	14.50	14.13
Prairie	13.45	14.03	13.41	13.62	13.38
Heritage	14.38	14.61	14.96	13.95	13.14
Intermediate	14.09	13.92	13.28	14.12	13.90
Middle School	12.99	13.68	13.11	11.96	11.43
High School	15.02	14.74	14.80	14.56	14.69
Students with Disabilities	60.99	57.32	53.73	53.79	53.28

K-4 ratios do not include Early Childhood and 4K

SWD ratio is based on total enrollment

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Waunakee Community School District

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12th	353	19	372	17
Totals	4082	313	4395	80

Waukeek Community School District

V. 2026-27 PLANNING

Enrollment Information/Projection

Grade	September 2025 Count				November 2025				3-Year Average			
	Residents	OE In	Total Students	OE Out	Residents	OE In	Total Students	OE Out	Residents	OE In	Total Students	OE Out
EC	15	0	15	0	15	0	15	0	15	0	15	0
4K	191	30	221	3	191	30	221	3	216	29	245	3
Kdg	246	15	261	1	245	15	260	1	219	24	243	1
1st	240	24	264	4	241	24	265	4	251	15	266	2
2nd	277	19	296	3	277	19	296	3	246	23	269	6
3rd	301	17	318	2	302	17	319	2	286	20	306	3
4th	290	21	311	3	289	21	310	3	305	18	323	5
5th	314	19	333	0	312	19	331	0	304	21	325	3
6th	307	27	334	3	306	27	333	3	318	23	341	0
7th	316	22	338	5	317	22	339	6	307	34	341	6
8th	289	19	308	2	289	19	308	3	317	23	340	7
9th	344	20	364	5	345	20	365	5	299	19	318	6
10th	312	22	334	8	312	22	334	8	339	19	358	11
11th	344	19	363	15	344	19	363	17	307	26	333	10
12th	296	13	309	13	300	12	312	13	353	19	372	17
Totals	4082	287	4369	67	4085	286	4371	71	4082	313	4395	80

- OE In is open enrollment students attending WCSD
- The student count change between September 2025 and November 2025 was an increase of 2 students

Staffing Classrooms K-12 – Ratios

PRELIMINARY PROJECTIONS 2026-27

<u>K</u>	-	243	12 Sections [- 2 sections]	20.3 to 1	(20)
<u>1</u>	-	266	14 Sections [no change]	19.0 to 1	(20)
<u>2</u>	-	269	14 Sections [-1 section]	19.2 to 1	(20)
<u>3</u>	-	306	14 Sections [-1 section]	21.9 to 1	(23)
<u>4</u>	-	323	15 Sections [+1 section]	21.5 to 1	(23)
<u>5</u>	-	325	14 Sections [no change]	23.2 to 1	(23)
<u>6</u>	-	341	15 Sections [no change-monitor]	22.7 to 1	(23)

Our headcount indicates -3 sections for grades K-6.

7 th – 8 th grade	Sept 25	646 students/11.43 = 56.5 FTE
	Nov 25	647 students/11.43 = 56.6 FTE
	Sept 26	681 students/11.43 = 59.5FTE

9 th – 12 th grade	Sept 25	1,370 students/14.69 = 93.2 FTE
	Nov 25	1,374 students/14.69 = 93.5 FTE
	Sept 26	1,381 students/14.69 = 94.3 FTE

7th – 12th grade + 4 FTE

The actual change for grades 7-12 will be evaluated during the student registration process.

Staffing/Student Classrooms K-6 – Ratios

Projections 2026-27/Compared to 2025-26 Actual

<u>K</u>	-	<u>12 Sections- (-1 at Heritage, -1 at Prairie)</u>	
		Arboretum-	4
		Heritage-	4
		Prairie-	4
<u>1</u>	-	<u>14 Sections- (no change)</u>	
		Arboretum-	4
		Heritage-	5
		Prairie-	5
<u>2</u>	-	<u>14 Sections- (-1 at Heritage)</u>	
		Arboretum-	4
		Heritage-	5
		Prairie-	5
<u>3</u>	-	<u>14 Sections- (-1 at Prairie)</u>	
		Arboretum-	4
		Heritage-	5
		Prairie-	5
<u>4</u>	-	<u>15 Sections- (+1 at Prairie)</u>	
		Arboretum-	4
		Heritage-	5
		Prairie-	6
<u>K-4</u>	-	<u>Total (estimates indicate a -3.0 FTE in grades K-4)</u>	
		Arboretum-	20
		Heritage-	24
		Prairie-	25

Intermediate

5 - **14 Sections**

6 - **15 Sections**



(estimates no change at grades 5-6)

Staffing Classrooms K-6 – Ratios

2026-27 School Year

Grade	Estimated 26-27 Enrollment	Sections				Student/ Teacher Ratio	Optimum Class size*	Average Class size		
		Total	Arboretum	Heritage	Prairie			Arboretum	Heritage	Prairie
K	243	12	4	4	4	20.3	20	20.0	20.8	20.5
1	266	14	4	5	5	19.0	20	20.0	17.2	20.0
2	269	14	4	5	5	19.2	20	20.3	19.0	18.6
3	306	14	4	5	5	21.9	23	21.0	23.8	20.6
4	323	15	4	5	6	21.5	23	22.5	22.4	20.2
5	325	14				23.2	23			
6	341	15				22.7	23			
Total K-6	2073		20	24	25					

*The optimum class size is per Board Policy.

Fund 10 –“Big Picture Overview”

Current Scenario	Prior Years		Current	Projections				
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Enrollment Growth	0.2%	-0.3%	-0.9%	0.2%	-1.2%	0.3%	-0.6%	0.1%
Eq. Valuation Growth		8.3%	9.6%	6.0%	6.0%	6.0%	6.0%	6.0%
Rev. Limit/Member Incr.	325	325	325	325	325	325	325	325
Referendum	\$5,127,502	\$8,127,502	\$9,650,000	\$2,600,000	\$0	\$0	\$0	\$0
Fund 10 Revenues	\$64,018,308	\$68,102,085	\$71,192,701	\$74,485,842	\$73,790,765	\$74,931,439	\$76,367,977	\$77,689,288
Fund 10 Expenditures	\$64,559,224	\$68,102,085	\$71,192,701	\$74,526,613	\$77,946,206	\$81,604,585	\$85,346,258	\$89,160,559
Surplus (Deficit)	(\$540,916)	\$0	\$0	(\$40,771)	(\$4,155,441)	(\$6,673,146)	(\$8,978,281)	(\$11,471,271)
Fund Balance	\$7,481,181	\$7,481,181	\$7,481,181	\$7,440,410	\$3,284,968	(\$3,388,178)	(\$12,366,459)	(\$23,837,730)
Fund Balance %	11.6%	11.0%	10.5%	10.0%	4.2%	-4.2%	-14.5%	-26.7%
Operating Expenses	\$68,767,429	\$72,712,783	\$77,491,249	\$82,494,544	\$86,168,095	\$90,093,131	\$94,114,793	\$98,223,083
Equalization Aid	\$24,685,494	\$24,634,807	\$23,334,386	\$22,516,448	\$21,879,546	\$19,607,235	\$17,766,889	\$15,101,856
Total Tax Levy	\$41,692,918	\$44,823,271	\$47,501,003	\$51,359,025	\$51,343,985	\$55,068,918	\$58,659,851	\$62,900,871
Mill Rate	\$8.97	\$8.90	\$8.60	\$8.78	\$8.28	\$8.37	\$8.42	\$8.51

- This overview includes the approved November 2024 operational referendum
- 26-27 open enrollment in does not reflect additional capacity. Capacity will be approved by school board in January 2026
- 26-27 open enrollment out includes an increase of 10 students above current levels
- Revenue assumptions:
 - \$325 per student on the revenue limit formula
 - 40% special education categorical aid
 - High cost categorical aid increases to 80%
 - Student enrollment per the 3-year average projection (+26)
 - November 2024 operational referendum fully utilized in 26-27

Expenditure assumptions:

- 5% increase in CPI/compensation systems
- Classified staff referendum approved pay increase
- 5% health insurance increase
- 5% increase for utilities and transportation
- Added middle school utilities in 26-27
- Added 3 FTE
- \$100,000 increase to district contingency
- Added NAMI contract back to maintenance budget

The following expenditure categories will need to be addressed:

- **Maintenance projects**

Open Enrollment Capacity for the 2026-27 School Year
Based on November 2025 Enrollment

	ESTIMATED	NUMBER OF CLASS SECTIONS	CLASS	OPTIMAL	OPENINGS	OPEN
4K-4 TOTALS						
4K	200	17	13.00	16	270	70
FULL DAY KINDERGARTEN	221	14	18.57	20	280	59
FIRST GRADE	260	14	18.93	20	280	20
SECOND GRADE	265	15	19.73	20	300	35
THIRD GRADE	296	14	22.79	23	322	26
FOURTH GRADE	319	15	21.27	23	345	26
ELEMENTARY TOTALS	1361					
	ESTIMATED	NUMBER OF CLASS	OPTIMAL	OPENINGS	OPEN	
INTERMEDIATE						
FIFTH GRADE	310	14	22.14	23	322	12
SIXTH GRADE	331	15	22.07	23	345	14
BUILDING TOTAL	641					
	ESTIMATED	NUMBER OF CLASS	OPTIMAL	OPENINGS	OPEN	
MIDDLE SCHOOL						
SEVENTH GRADE	333	16	20.81	22	352	19
EIGHTH GRADE	339	16	21.19	22	352	13
BUILDING TOTAL	672					
	ESTIMATED	NUMBER OF CLASS	OPTIMAL	OPENINGS	OPEN	
HIGH SCHOOL						
NINTH GRADE	308	15	20.53	22	330	22
TENTH GRADE	365	15	24.33	22	330	0
ELEVENTH GRADE	334	15	22.27	22	330	0
TWELFTH GRADE	363	14	25.93	25	350	0
BUILDING TOTAL	1370					
GRAND TOTAL						316

Nonresident students who are currently enrolled in Waunakee (because their family moved out of the district) and siblings of nonresident students currently enrolled in Waunakee will be guaranteed acceptance .

Open Enrollment Capacity for the 2026-27 School Year
Based on 3-Year Average Enrollment Model

	ESTIMATED	NUMBER OF CLASS	OPTIMAL	OPENINGS	OPEN ENROLLMENT	
4K-4 TOTALS						
4K	200	17	14.29	16	270	70
FULL DAY KINDERGARTEN	243	14	17.36	20	280	37
FIRST GRADE	266	14	19.00	20	280	14
SECOND GRADE	269	15	17.93	20	300	31
THIRD GRADE	306	14	21.86	23	322	16
FOURTH GRADE	323	15	21.53	23	345	22
ELEMENTARY TOTALS	1607					
	ESTIMATED	NUMBER OF CLASS	OPTIMAL	OPENINGS	OPEN ENROLLMENT	
INTERMEDIATE						
FIFTH GRADE	325	14	23.21	23	322	0
SIXTH GRADE	341	15	22.73	23	345	4
BUILDING TOTAL	666					
	ESTIMATED	NUMBER OF CLASS	OPTIMAL	OPENINGS	OPEN ENROLLMENT	
MIDDLE SCHOOL						
SEVENTH GRADE	341	16	21.31	22	352	11
EIGHTH GRADE	340	16	21.25	22	352	12
BUILDING TOTAL	681					
	ESTIMATED	NUMBER OF CLASS	OPTIMAL	OPENINGS	OPEN ENROLLMENT	
HIGH SCHOOL						
NINTH GRADE	318	15	21.20	22	330	12
TENTH GRADE	358	15	23.87	22	330	0
ELEVENTH GRADE	333	15	22.20	22	330	0
TWELFTH GRADE	372	14	26.57	25	350	0
BUILDING TOTAL	1381					
GRAND TOTAL					229	

Nonresident students who are currently enrolled in Waunakee (because their family moved out of the district) and siblings of nonresident students currently enrolled in Waunakee will be guaranteed acceptance .

Open Enrollment Capacity for the 2026-27 School Year
Based on Budget Planning Process Document

	ESTIMATED	NUMBER OF CLASS	OPTIMAL	OPENINGS	OPEN ENROLLMENT	
4K-4 TOTALS						
4K	200	17	14.29	16	270	70
FULL DAY KINDERGARTEN	243	12	20.25	20	240	0
FIRST GRADE	266	14	19.00	20	280	14
SECOND GRADE	269	14	19.21	20	280	11
THIRD GRADE	306	14	21.86	23	322	16
FOURTH GRADE	323	15	21.53	23	345	22
ELEMENTARY TOTALS	1607					
	ESTIMATED	NUMBER OF CLASS	OPTIMAL	OPENINGS	OPEN ENROLLMENT	
INTERMEDIATE						
FIFTH GRADE	325	14	23.21	23	322	0
SIXTH GRADE	341	15	22.73	23	345	4
BUILDING TOTAL	666					
	ESTIMATED	NUMBER OF CLASS	OPTIMAL	OPENINGS	OPEN ENROLLMENT	
MIDDLE SCHOOL						
SEVENTH GRADE	341	16	21.31	22	352	11
EIGHTH GRADE	340	14	24.29	22	308	0
BUILDING TOTAL	681					
	ESTIMATED	NUMBER OF CLASS	OPTIMAL	OPENINGS	OPEN ENROLLMENT	
HIGH SCHOOL						
NINTH GRADE	318	15	21.20	22	330	12
TENTH GRADE	358	15	23.87	22	330	0
ELEVENTH GRADE	333	15	22.20	22	330	0
TWELFTH GRADE	372	14	26.57	25	350	0
BUILDING TOTAL	1381					
GRAND TOTAL					160	

Nonresident students who are currently enrolled in Waunakee (because their family moved out of the district) and siblings of nonresident students currently enrolled in Waunakee will be guaranteed acceptance .

4K Contract Info

Site Name	26/27 Contract	Sections	Student Space 25/26	Student Space 26/27 Plan A	Plan B					
Adventures in Learning	Signed	1 AM, 1 PM	32	32	48	Could add AM or Full Day if needed if they could find a teacher				
Brilliant Beginnings	Signed	1 AM, 1 PM	26	26	38	Could go to 38 if they had at least 16 kids in each section				
Inspire Early Childhood	No Response	2 AM, 0 PM	40	0	0					
The Village	Signed	2 AM, 0 PM	36	36	36					
Mary Lake Montessori	Signed	1 AM, 0 PM	20	20	20					
Moppet	Signed	1 AM, 1 PM	24	24	24					
Peace Lutheran Preschool	Signed	1 AM, 1 PM	36	36	36					
Goddard	Signed	1 AM, 1 PM	0	26	26					
St. John's Preschool	Denied	1 AM, 1 PM	32	0	0					
			246	200	228					