

PLEASE POST



SCHOOL DISTRICT OF SHOREWOOD  
Shorewood, Wisconsin  
January 28, 2025 AGENDA

SCHOOL BOARD MEETING  
7:00 PM  
**Shorewood High School Library Media Center (LMC)**  
**1701 East Capitol Drive**  
**Shorewood, WI 53211**

Parking is available in the Shorewood High School lot; please enter through the Administration Building doors and take the stairs up to the second floor. *An elevator is accessible near the east stairs.*

Participants may also access the Annual Meeting on Zoom:

Join Zoom:

<https://us02web.zoom.us/j/81599627722>

Meeting ID: 815 9962 7722

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Parameters for Public Comment

The Board welcomes public comments. Public comments are limited to three minutes per person. Per Wisconsin's open meeting law and guidance issued by Wisconsin's Attorney General, we cannot engage in substantive discussions or act on items not on the agenda; however, we will follow up with speakers after the

meeting or add items to a future Board agenda for purposes of addressing the matter. Further, we do not permit discussion of pupils, current or former staff, or job candidates. The Board is also reachable by email at schoolboard@shorewood.k12.wi.us.

*This meeting notice was posted on January 24, 2025.*

**I. 7 pm CALL TO ORDER**

- A. Adopt the Agenda (GC2)
- B. Overarching Result for Shorewood School District (R1)  
*Our students are leaders who challenge themselves to grow and achieve academically, pursue their passions, navigate change, learn continuously and contribute to the common good.*
- C. Awards and Recognitions

**II. 7:05 pm STUDENT ACHIEVEMENT AND RESULTS (R1)**

**Atwater Elementary School Chorus Students**

**III. 7:15 pm PUBLIC COMMENT #1 (GC3)**

*Initiate and maintain effective communication with the citizens and other important stakeholder groups as a means to engage them in the work of the Board and the District.*

**IV. 7:30 pm SUPERINTENDENT'S REPORT**

**3**

**V. 7:40 pm SUPERINTENDENT'S CONSENT AGENDA**

- A. Approval of Monthly Financials

**5**

**VI. 7:45 pm BOARD BUSINESS AND POSSIBLE BOARD ACTION**

- A. Acceptance of the Auditor's Report
- B. Approval of the District's 2025-2026 Open Enrollment Recommendation
- C. Discussion of R4 Student Results (Wellness) Policy and Indicators Workshop

**12**

**96**

**98**

**VII. 8:45 pm BOARD CONSENT AGENDA (GC2)**

- A. Approval of Board Meeting Minutes  
January 14, 2025 Regular Board Meeting  
January 14, 2025 Closed Session

**111**

- B. Approval of OE 1 (Global Operational Expectations) Monitoring Report Revisions

**114**

- C. Approval of Revised OE 1 (Global Operational Expectations) Policy Indicators

**120**

- D. Approval of April 2025 Model United Nations Student Trip (Northwestern University)

**123**

**VIII. 8:50 pm PUBLIC COMMENT #2 (GC3)**

*Initiate and maintain effective communication with the citizens and other important stakeholder groups as a means to engage them in the work of the Board and the District.*

**IX. 9:00 pm BOARD MEMBER REPORTS**

**125**

**2025 State Education Convention**

**X. 9:05 pm REVIEW OF 'TO DO' ITEMS**

**XI. 9:10 pm FUTURE AGENDA ITEMS**

**XII. 9:15 pm RECESS AND DEBRIEF**



**EXECUTIVE SUMMARY  
FOR THE SHOREWOOD SCHOOL BOARD**

**Topic:** Superintendent's Report

**Date:** January 28, 2025

**Prepared by:** Laurie Burgos, Superintendent

**Recommended action:**

- Information only
- Presentation/discussion
- Discussion/action by School Board
- Presentation/action next meeting

**Purpose:**

To summarize current District education, administrative and operations priorities and provide follow up on items from prior Board meetings.

**District Communications Update**

I want to confirm that the District has provided guidelines and information resources to both staff and families regarding immigration enforcement, based on guidance we have received from a number of organizations. We will continue to share information about our procedures as we navigate this issue, as a district and as a community.

**Teaching and Learning Updates**

As I shared in my last Superintendent's Report, the end of the first semester is a busy time for student assessments, and the majority of the winter Fastbridge, ACT 20 and MySAEBERS screenings were completed last week. These assessments are key to measuring progress toward goals for student growth and achievement established at the beginning of the year, and I want to share some details about this process.

First, all school leaders have begun reviewing winter student assessment data following a protocol that is embedded in our continuous improvement work (SAIL). School leadership teams, classroom teachers, specialists and other staff will also follow a data protocol, and will add classroom data (lesson plans, etc.) to their analyses of results. This structure will ensure that action plans are focused on new or modified instructional practices and other teaching strategies that will address specific learning gaps and goals.

The NextPath data platform is integral to this work, providing our educators and administrators with both the most current and historical data organized by grade level, race, and gender, as well as and by IEP and multi-language learner classifications. Evaluating data in different ways - and connecting it to professional practices and student outcomes - is a central goal of the SAIL process, and it is new for some staff. To help address this, professional development sessions and collaborative staff time scheduled on January 24 and February 17 include team reviews of both Fastbridge and reading assessment data for students in grades 5K-3 (in compliance with ACT 20). I want to thank our principals and District leaders for their attention to data literacy training needs, and all staff for the collaborative spirit this process needs to be as impactful as possible for students.

I also want to touch on resource allocation as a tool in our continuous improvement work. As we begin the internal budget development process and meet with school and department leaders, we will be examining all dimensions of resource allocation, as we did last year. With the knowledge and experience we have gained, I am confident that our leadership team will have a keen sense of the financial investments and other resource allocations needed to advance our work to achieve equitable outcomes for every student. Our financial challenges remain significant, so this year's budget process will require careful prioritization as well as reallocation of resources to achieve our goals.

### **School Safety**

I want to take this opportunity to share information about the introduction of Raptor visitor management technology in our school offices with community members. District staff and families received [communication](#) last week, and it outlines both visitor procedures and current policies regarding after-school activities, District events and use of our community recreation and fitness facilities. Once our initial visitor protocols are well-established, we will work on enhancements to accommodate frequent school visitors and revisit other Raptor features that can streamline the process for visitors and staff.

The District leadership team and our Building & Grounds department continuously reviews building and classroom safety protocols, and we will begin a formal review of the District Safety Plan later this year.



**EXECUTIVE SUMMARY  
FOR THE SHOREWOOD SCHOOL BOARD**

**Topic:** Monthly Financial Reports

**Date:** January 28, 2024

**Prepared by:** Heather Heaviland

**Recommended action:**

- Information only
- Presentation/discussion
- Discussion/action by board of education
- Presentation/action next meeting

**Purpose:** Financial reports are provided to the Board monthly to assist with monitoring of financial condition and compliance with the adopted budget.

**December 2024 Statements**

December 2024 financial statements reflect activities and financial changes for the first six months of the 2024-2025 fiscal year (FY25).

- Revenue and Expenses
  - Revenues and expenses in the District's general operating funds (10/27) are overall in line with expectations. While expenses are significantly higher compared to the same period last year, this was anticipated in the District budget. While revenue in December shows a significant increase compared to the same period last year, this is related to the timing and sources of revenue. This year the District is relying more heavily on state aid, for which a large payment is made in December.
- Balance Sheet
  - Changes to the balance sheet are in line with expectations.

**Attachments:**

- Cash Receipts 2024-12
- Budget Status 2024-12
- Check Register 2024-12
- Balance Sheet 2024-12

## Additional Information

**Understanding Account Numbers:** Account numbers are shown on several of the monthly reports. A complete description of account codes and how they are used can be obtained from the Business Office or Department of Public Instruction / School Financial Services website. The following is provided to assist with reading the provided monthly reports.

Fund - the 1st two digits are a designation of an accounting entity. The accounting entity is assigned by the DPI to ensure compliance with various statutory requirements related to the type of financial transactions reported. The common funds are:

- 10 General Fund is for recording any transaction not required to be recorded in another fund. This fund accounts for about 75% of total financial transactions.
- 21 Special Revenue Trust Fund is used to record transactions financed with non-governmental donations or other receipts designated for a specific educational purpose. Examples include support from PTO's, booster clubs, SEED and so forth.
- 27 The Special Education Fund is considered a sub-fund to the General Fund and is used to segregate financial transactions related to extraordinary costs for meeting the needs of students identified as requiring an Individualized Education Plan.
- 38 & 39 These funds are used to record property taxes levied for the purpose of repayment of long-term debt and the corresponding transactions for the principal and interest payments.
- 41 & 49 Capital Projects funds track revenue specifically raised to pay the costs of a capital project and the expenses thereof. Revenues are typically a segregated property tax levy or borrowed amounts.
- 50 The fund is used to segregate financial transactions related to operating the school food service program. A deficit, if any, in this fund is covered with a transfer from the General Fund.
- 80 Financial transactions related to operating the Fitness Center , Recreation Programs or other community oriented activities are recorded in the Community Services Fund.

Type - accounts codes have the following account types:

- A Asset
- L Liability
- Q Equity
- E Expense
- R Revenue

**District**  
**Shorewood School District**

Monthly  
Financial Report

Fiscal Year 2025 Revenue and Expenditure Activity Through December

## FISCAL YEAR 2025 REVENUE AND EXPENDITURE SUMMARY THROUGH DECEMBER

### 1. CURRENT YEAR-TO-DATE ACTUALS COMPARED TO THE PREVIOUS YEAR

COMPARED TO THE SAME PERIOD, TOTAL REVENUES ARE

**\$463,616**

HIGHER THAN THE PREVIOUS YEAR

COMPARED TO THE SAME PERIOD, TOTAL EXPENDITURES ARE

**\$379,107**

HIGHER THAN THE PREVIOUS YEAR

COMPARED TO THE SAME PERIOD, THE FUND BALANCE IS

**\$5,048,078**

HIGHER THAN THE PREVIOUS YEAR

### 2. CURRENT YEAR-TO-DATE ACTUALS COMPARED TO THE BUDGET

CURRENT YEAR-TO-DATE REVENUE COLLECTIONS ARE TRENDING

**\$254,687**

HIGHER THAN THE BUDGET

CURRENT YEAR-TO-DATE EXPENDITURES ARE TRENDING

**\$291,806**

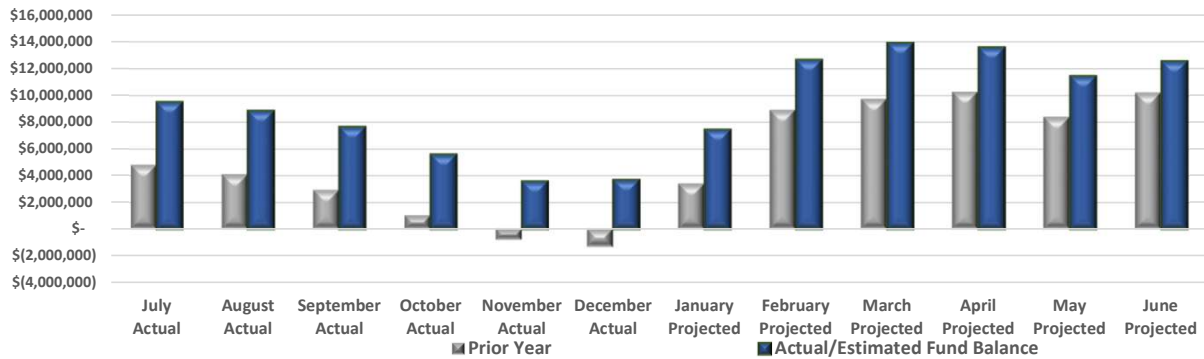
LOWER THAN THE BUDGET

POTENTIAL NET IMPACT WOULD RESULT IN A

**\$546,493**

HIGHER FUND BALANCE THAN ORIGINAL ESTIMATES

### 3. FUND BALANCE COMPARISON



JUNE 30 2024 ENDING FUND BALANCE

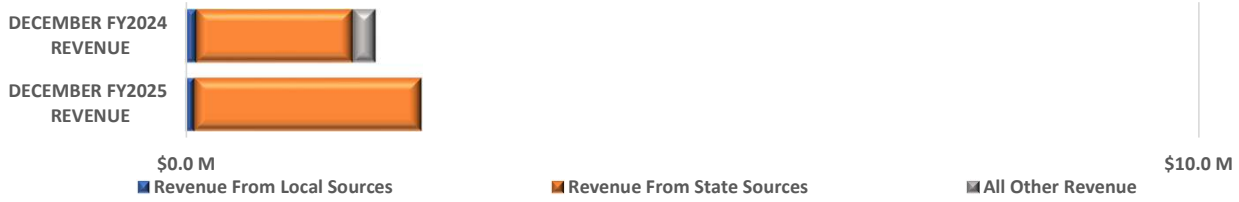
**\$10,221,177**

ESTIMATED 2025 YEAR END FUND BALANCE

**\$12,550,477**

## FISCAL YEAR 2025 MONTHLY REVENUE SUMMARY - DECEMBER

### 1. DECEMBER MONTH END REVENUE OVERVIEW (MTD)

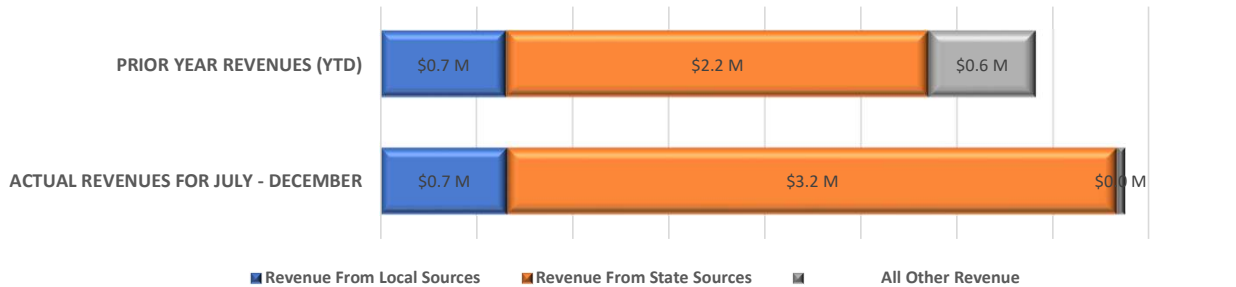


	Current Year MTD Amount	Prior Year MTD Amount	Actual Compared to Last Year
Revenue From Local Sources	85,313	105,623	▶ (20,310)
Revenue From State Sources	2,230,163	1,536,958	▶ 693,205
All Other Revenue	17	225,288	▶ (225,271)
<b>Total Revenue</b>	<b>2,315,493</b>	<b>1,867,869</b>	<b>▶ 447,623</b>

**ACTUAL REVENUE FOR THE  
MONTH WAS UP  
\$447,623  
COMPARED TO LAST YEAR.**

Overall total revenue for December is up 24.% (\$447,623). The largest change in this December's revenue collected compared to December of FY2024 is higher state aid - general (\$693,205) and lower federal special projects aid transited through (-\$209,334).

### 2. YEAR TO DATE REVENUE OVERVIEW (YTD)



	Current Year YTD For July - December	Prior Year YTD For July - December	Actual Compared to Last Year
Revenue From Local Sources	660,944	652,805	▶ 8,139
Revenue From State Sources	3,174,368	2,201,620	▶ 972,749
All Other Revenue	40,042	557,314	▶ (517,272)
<b>Total Revenue</b>	<b>3,875,355</b>	<b>3,411,739</b>	<b>▶ 463,616</b>

**COMPARED TO THE SAME  
PERIOD, TOTAL REVENUES ARE  
\$463,616  
HIGHER THAN THE PREVIOUS  
YEAR**

Fiscal year-to-date General Fund revenue collected totaled \$3,875,355 through December, which is \$463,616 or 13.6% higher than the amount collected last year. The largest difference in revenue when comparing current year-to-date revenue collected through December to the same period last year is state aid - general revenue coming in \$972,442 higher compared to the previous year, followed by federal special projects aid transited through coming in -\$209,334 lower.

## FISCAL YEAR 2025 MONTHLY EXPENDITURE SUMMARY - DECEMBER

### 3. DECEMBER MONTH END EXPENDITURE OVERVIEW (MTD)



	Current Year MTD Amount	Prior Year MTD Amount	Actual Compared to Last Year
Salaries and Benefits	1,774,787	1,979,591	▶ <b>(204,804)</b>
Services, Supplies & Materials	323,199	327,946	▶ <b>(4,747)</b>
All Other Expenses	117,588	99,106	▶ <b>18,482</b>
<b>Total Expenditures</b>	<b>2,215,574</b>	<b>2,406,643</b>	▶ <b>(191,069)</b>

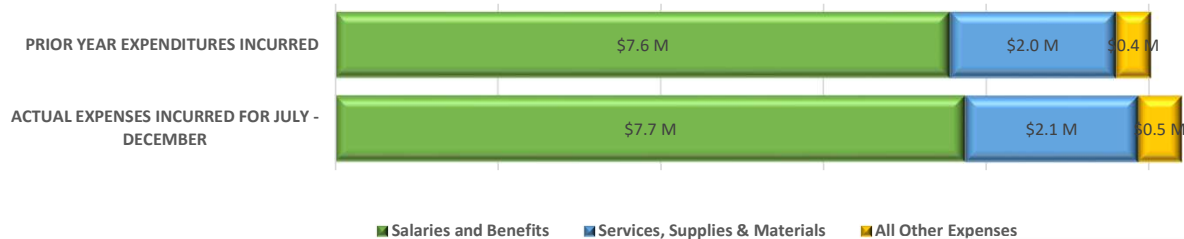
ACTUAL EXPENSES FOR THE  
MONTH WAS DOWN

**\$191,069**

COMPARED TO LAST YEAR.

Overall total expenses for December are down -7.9% (-\$191,069). The largest change in this December's expenses compared to December of FY2024 is lower salaries (-\$143,340), lower property services (-\$53,552) and higher payment to non-governmental agencies and indi (\$30,847).

### 4. YEAR TO DATE EXPENSE OVERVIEW (YTD)



	Actual Expenses For July - December	Prior Year Expenditures Incurred	Actual Compared to Last Year
Salaries and Benefits	7,741,728	7,556,170	▶ <b>185,558</b>
Services, Supplies & Materials	2,127,356	2,037,567	▶ <b>89,789</b>
All Other Expenses	535,701	431,941	▶ <b>103,760</b>
<b>Total Expenditures</b>	<b>10,404,785</b>	<b>10,025,678</b>	▶ <b>379,107</b>

COMPARED TO THE SAME  
PERIOD, TOTAL EXPENDITURES  
ARE

**\$379,107**

HIGHER THAN THE PREVIOUS  
YEAR

Fiscal year-to-date General Fund expenses totaled \$10,404,785 through December, which is \$379,107 or 3.8% higher than the amount expended last year. The largest difference in expenditures when comparing current year-to-date expenditures through December to the same period last year is that equipment/vehicle - initial purchase costs are \$101,440 higher compared to the previous year, followed by textbooks & workbooks coming in \$94,449 higher and property services coming in -\$89,291 lower.

# PROJECTED FISCAL YEAR 2025 REVENUE AND EXPENDITURE SUMMARY

## 5. PROJECTED YEAR END REVENUE RESULTS COMPARED TO THE BUDGET

**CURRENT YEAR-TO-DATE REVENUE COLLECTIONS ARE TRENDING**  
**\$254,687**  
**HIGHER THAN THE BUDGET**

	Budgeted Annual Revenues	Actual/Estimated Calculated Annual Amount	Variance Favorable/(Unfavorable)
Revenue From Local Sources	19,232,547	19,497,000	264,452
Revenue From State Sources	9,587,665	9,608,717	21,052
All Other Revenue	2,390,531	2,359,714	(30,817)
<b>Total Revenue</b>	<b>31,210,743</b>	<b>31,465,431</b>	<b>254,687</b>

The top two categories (other revenue from local sources and earnings on investments), represents 95.8% of the variance between current revenue estimates and the budget.

**Top Budget vs. Actual/Estimated Amounts**

Variance Based on	Expected Over/(Under) Budget
OTHER REVENUE FROM LOCAL SOURCES	127,644
EARNINGS ON INVESTMENTS	116,382
FEDERAL SPECIAL PROJECTS AID TRANSITED THROUGH	(57,178)
REFUND OF DISBURSEMENT	26,027
All Other Revenue Categories	41,812
<b>Total Revenue</b>	<b>254,687</b>

## 6. PROJECTED YEAR END EXPENDITURE RESULTS COMPARED TO THE BUDGET

**CURRENT YEAR-TO-DATE EXPENDITURES ARE TRENDING**  
**\$291,806**  
**LOWER THAN THE BUDGET**

	Budgeted Annual Expenses	Actual/Estimated Calculated Annual Amount	Budget compared to Actual/Estimated
Salaries and Benefits	20,916,993	20,612,813	(304,180)
Services, Supplies & Materials	4,766,124	4,906,956	140,832
All Other Expenses	3,744,820	3,616,362	(128,458)
<b>Total Expenditures</b>	<b>29,427,936</b>	<b>29,136,130</b>	<b>(291,806)</b>

The top two categories (health insurance and dues and fees), represents 115.7% of the variance between current expense estimates and the budget.

**Top Budget vs. Actual/Estimated Amounts**

Variance Based on	Expected Over/(Under) Budget
HEALTH INSURANCE	(248,414)
DUES AND FEES	(89,144)
PROPERTY SERVICES	88,465
NON-CAPITAL EQUIPMENT	44,488
All Other Expense Categories	(87,201)
<b>Total Expenses</b>	<b>(291,806)</b>



## EXECUTIVE SUMMARY FOR THE SHOREWOOD SCHOOL BOARD

**Topic:** Audited Financial Statements for the Year Ended June 30, 2024

**Date:** January 28, 2025

**Prepared by:** Heather Heaviland

### Recommended action:

- Information only
- Presentation/discussion
- Discussion/action by board of education
- Presentation/action next meeting

**Purpose:** Recommend acceptance of the audited financial statements for the year ended June 30, 2024.

**Background:** The financial records of the school district are audited yearly by an independent certified public accountant in compliance with state statutes and good business practices. The audit is conducted in conformance with generally accepted auditing standards and DPI regulatory requirements. The audit is conducted on behalf of the Board of Education and the auditors report directly to the Board.

Representatives of the audit firm, Clifton, Larson, Allen, LLP will be presenting the audited financial statements as well as comments or suggestions, if any.

### Attachments:

- FY24 Final Report and Financial Statements
- FY24 Audit Executive Summary
- FY24 Prior Year Audit and Corrective Action Plan

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED JUNE 30, 2024**



**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
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SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
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## INDEPENDENT AUDITORS' REPORT

Board of Education  
Shorewood School District  
Shorewood, Wisconsin

### Report on the Audit of the Financial Statements

#### **Opinions**

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

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

#### **Basis for Opinions**

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

#### **Emphasis of Matter**

As discussed in Note 1.F to the financial statements, effective July 1, 2023, the District adopted new accounting guidance for accounting changes. The guidance requires that changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period. Our opinions are not modified with respect to this matter.

#### **Responsibilities of Management for the Financial Statements**

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

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

**Required Supplementary Information**

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

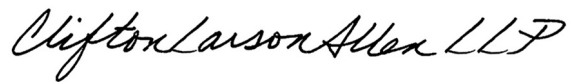
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required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

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The financial information listed in the table of contents as supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration are also presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is 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 November 18, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
November 18, 2024

## **BASIC FINANCIAL STATEMENTS**

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
STATEMENT OF NET POSITION  
JUNE 30, 2024**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 16,290,721
Receivables:	
Taxes	2,776,463
Accounts	25,546
Due from Employee Benefit Trust	177,627
Due from Other Governments	523,344
Prepaid Items	25,585
Capital Assets:	
Nondepreciable	205,675
Depreciable, Net	82,994,003
Total Assets	103,018,964
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension Related Amounts	11,821,883
Other Postemployment Related Amounts	159,468
Total Deferred Outflows of Resources	11,981,351
<b>LIABILITIES</b>	
Accounts Payable	480,051
Accrued and Other Current Liabilities	1,336,303
Accrued Interest Payable	511,310
Due to Other Governments	2,569
Unearned Revenues	11,814
Deposits Payable	345,173
Long-Term Obligations:	
Due in One Year	2,372,930
Due in More Than One Year	57,473,500
Other Postemployment Benefits Liability	1,367,284
Net Pension Liability	2,111,840
Total Liabilities	66,012,774
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension Related Amounts	7,708,313
Other Postemployment Related Amounts	870,747
Total Deferred Inflows of Resources	8,579,060
<b>NET POSITION</b>	
Net Investment in Capital Assets	25,969,461
Restricted:	
Grant Funds	40,471
Community Service	987,224
Food Service	573,237
Capital Projects	439,532
Capital Expansion	1,546,909
Debt Service	2,752,047
Unrestricted	8,099,600
Total Net Position	\$ 40,408,481

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2024**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
<b>GOVERNMENTAL ACTIVITIES</b>				
Instruction	\$ 16,434,338	\$ 2,844,435	\$ 2,081,219	\$ (11,508,684)
Support Services	12,057,842	344,862	1,222,965	(10,490,015)
Community Services	1,506,221	1,154,676	6,170	(345,375)
Nonprogram	1,280,553	-	146,259	(1,134,294)
Interest and Fiscal Charges	1,776,738	88,911	-	(1,687,827)
Depreciation - Unallocated	3,435,842	-	-	(3,435,842)
<b>Total Governmental Activities</b>	<b><u>\$ 36,491,534</u></b>	<b><u>\$ 4,432,884</u></b>	<b><u>\$ 3,456,613</u></b>	<b>(28,602,037)</b>
<b>GENERAL REVENUES</b>				
Property Taxes				26,224,272
State and Federal Aids not Restricted to Specific Functions				6,775,534
Interest and Investment Earnings				673,703
Miscellaneous				693,518
<b>Total General Revenues</b>				<b><u>34,367,027</u></b>
<b>CHANGE IN NET POSITION</b>				<b>5,764,990</b>
Net Position - Beginning of Year				<u>34,643,491</u>
<b>NET POSITION - END OF YEAR</b>				<b><u>\$ 40,408,481</u></b>

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2024**

<b>ASSETS</b>	<u>General</u>	<u>Referendum Debt Service</u>	<u>Capital Expansion Fund</u>	<u>Capital Project Fund</u>	<u>Community Service Fund</u>	<u>Other Governmental Funds</u>	<u>Totals</u>
Cash and Investments	\$ 8,627,277	\$ 3,069,410	\$ 1,832,415	\$ 309,532	\$ 1,071,154	\$ 1,380,933	\$ 16,290,721
Receivables:							
Taxes	2,776,463	-	-	-	-	-	2,776,463
Accounts	19,500	-	-	-	250	5,796	25,546
Due from Employee Benefit Trust	177,627	-	-	-	-	-	177,627
Due from Other Funds	-	-	-	130,000	-	-	130,000
Due from Other Governments	495,626	-	-	-	-	27,718	523,344
Prepaid Items	15,301	-	-	-	3,749	6,535	25,585
<b>Total Assets</b>	<b><u>\$ 12,111,794</u></b>	<b><u>\$ 3,069,410</u></b>	<b><u>\$ 1,832,415</u></b>	<b><u>\$ 439,532</u></b>	<b><u>\$ 1,075,153</u></b>	<b><u>\$ 1,420,982</u></b>	<b><u>\$ 19,949,286</u></b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ 142,803	\$ -	\$ 285,506	\$ -	\$ 21,698	\$ 30,044	\$ 480,051
Accrued and Other Current Liabilities	1,270,072	-	-	-	66,231	-	1,336,303
Due to Other Funds	130,000	-	-	-	-	-	130,000
Due to Other Governments	2,569	-	-	-	-	-	2,569
Unearned Revenues	-	-	-	-	-	11,814	11,814
Deposits Payable	345,173	-	-	-	-	-	345,173
<b>Total Liabilities</b>	<b><u>1,890,617</u></b>	<b><u>-</u></b>	<b><u>285,506</u></b>	<b><u>-</u></b>	<b><u>87,929</u></b>	<b><u>41,858</u></b>	<b><u>2,305,910</u></b>
<b>FUND BALANCES</b>							
Nonspendable	15,301	-	-	-	3,749	6,535	25,585
Restricted	40,471	3,069,410	1,546,909	439,532	983,475	767,184	6,846,981
Committed	-	-	-	-	-	605,405	605,405
Unassigned	10,165,405	-	-	-	-	-	10,165,405
<b>Total Fund Balances</b>	<b><u>10,221,177</u></b>	<b><u>3,069,410</u></b>	<b><u>1,546,909</u></b>	<b><u>439,532</u></b>	<b><u>987,224</u></b>	<b><u>1,379,124</u></b>	<b><u>17,643,376</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 12,111,794</u></b>	<b><u>\$ 3,069,410</u></b>	<b><u>\$ 1,832,415</u></b>	<b><u>\$ 439,532</u></b>	<b><u>\$ 1,075,153</u></b>	<b><u>\$ 1,420,982</u></b>	<b><u>\$ 19,949,286</u></b>

See accompanying Notes to Basic Financial Statements.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
RECONCILIATION TO THE STATEMENT OF NET POSITION  
GOVERNMENTAL FUNDS  
JUNE 30, 2024**

Total Fund Balances as Shown on Previous Page \$ 17,643,376

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds. 83,199,678

Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.

Deferred Outflows Related to Pensions	11,821,883
Deferred Inflows Related to Pensions	(7,708,313)
Deferred Outflows Related to Other Postemployment Benefits	159,468
Deferred Inflows Related to Other Postemployment Benefits	(870,747)

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

Bonds and Notes Payable	(57,575,000)
Debt Premium	(2,219,711)
Compensated Absences	(51,719)
Other Postemployment Benefits Liability (Asset)	(1,367,284)
Net Pension Liability	(2,111,840)
Accrued Interest on Long-Term Obligations	<u>(511,310)</u>

Net Position of Governmental Activities as Reported on the Statement of Net Position	<u><u>\$ 40,408,481</u></u>
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**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2024**

	General	Referendum Debt Service	Capital Expansion Fund	Capital Project Fund	Community Service Fund	Other Governmental Funds	Totals
<b>REVENUES</b>							
Property Taxes	\$ 20,339,049	\$ 3,736,848	\$ 750,000	\$ -	\$ 800,000	\$ 598,450	\$ 26,224,347
Other Local Sources	1,301,739	76,828	71,322	39,399	1,170,036	786,043	3,445,367
Interdistrict Sources	2,006,764	-	-	-	-	-	2,006,764
Intermediate Sources	28,961	-	-	-	-	-	28,961
State Sources	8,280,761	-	-	-	-	5,585	8,286,346
Federal Sources	1,533,579	-	-	-	-	245,258	1,778,837
Other Sources	389,638	-	-	-	-	7,925	397,563
Total Revenues	<u>33,880,491</u>	<u>3,813,676</u>	<u>821,322</u>	<u>39,399</u>	<u>1,970,036</u>	<u>1,643,261</u>	<u>42,168,185</u>
<b>EXPENDITURES</b>							
Instruction:							
Regular Instruction	12,484,496	-	-	-	-	192,681	12,677,177
Vocational Instruction	187,562	-	-	-	-	-	187,562
Special Education Instruction	2,543,612	-	-	-	-	-	2,543,612
Other Instruction	1,084,669	-	-	-	-	155,766	1,240,435
Total Instruction	<u>16,300,339</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>348,447</u>	<u>16,648,786</u>
Support Services:							
Pupil Services	1,851,944	-	-	-	-	40,000	1,891,944
Instructional Staff Services	1,571,578	-	-	-	-	18,526	1,590,104
General Administration Services	772,783	-	-	-	85,832	-	858,615
School Administration Services	1,483,227	-	-	-	-	-	1,483,227
Business Services	743,565	-	-	-	26,557	442	770,564
Operations and Maintenance of Plant	3,238,913	-	341,275	72,520	637,061	28,783	4,318,552
Pupil Transportation Services	274,691	-	-	-	-	753	275,444
Food Services	-	-	-	-	-	602,658	602,658
Central Services	360,991	-	-	988	46,000	25,000	432,979
Insurance	331,540	-	-	-	-	-	331,540
Other Support Services	140,812	-	-	-	26,522	-	167,334
Total Support Services	<u>10,770,044</u>	<u>-</u>	<u>341,275</u>	<u>73,508</u>	<u>821,972</u>	<u>716,162</u>	<u>12,722,961</u>

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (CONTINUED)  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2024**

	General	Referendum Debt Service	Capital Expansion Fund	Capital Project Fund	Community Service Fund	Other Governmental Funds	Totals
<b>EXPENDITURES (CONTINUED)</b>							
Debt Service:							
Principal	\$ -	\$ 1,590,000	\$ -	\$ -	\$ -	\$ 565,000	\$ 2,155,000
Interest and Fiscal Charges	90,516	1,913,461	-	-	-	36,274	2,040,251
Total Debt Service	90,516	3,503,461	-	-	-	601,274	4,195,251
Community Service	-	-	-	-	1,510,197	-	1,510,197
Nonprogram:							
General Tuition Payments	1,003,538	-	-	-	-	-	1,003,538
Post Second Scholarships	-	-	-	-	-	69,570	69,570
Special Education Tuition Payments	198,564	-	-	-	-	-	198,564
Adjustments and Refunds	9,059	-	-	-	-	394	9,453
Total Nonprogram	1,211,161	-	-	-	-	69,964	1,281,125
Total Expenditures	28,372,060	3,503,461	341,275	73,508	2,332,169	1,735,847	36,358,320
Excess of Revenues Over (Under) Expenditures	5,508,431	310,215	480,047	(34,109)	(362,133)	(92,586)	5,809,865
<b>OTHER FINANCING SOURCES (USES)</b>							
Leases Issued	69,615	-	-	-	-	-	69,615
Premium on Debt Issued	19,296	-	-	-	-	-	19,296
Transfers In	-	574,999	-	280,000	-	-	854,999
Transfers Out	(280,000)	-	-	(574,999)	-	-	(854,999)
Total Other Financing Sources (Uses)	(191,089)	574,999	-	(294,999)	-	-	88,911
<b>NET CHANGE IN FUND BALANCES</b>	5,317,342	885,214	480,047	(329,108)	(362,133)	(92,586)	5,898,776
Fund Balances - Beginning, as Originally Reported	4,903,835	2,184,196	-	768,640	1,349,357	2,538,572	11,744,600
Change Within Financial Reporting Entity Nonmajor to Major Fund	-	-	1,066,862	-	-	(1,066,862)	-
Fund Balances - Beginning, as Adjusted	4,903,835	2,184,196	1,066,862	768,640	1,349,357	1,471,710	11,744,600
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 10,221,177</u>	<u>\$ 3,069,410</u>	<u>\$ 1,546,909</u>	<u>\$ 439,532</u>	<u>\$ 987,224</u>	<u>\$ 1,379,124</u>	<u>\$ 17,643,376</u>

See accompanying Notes to Basic Financial Statements.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
RECONCILIATION TO THE STATEMENT OF ACTIVITIES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2024**

Net Change in Fund Balances as Shown on Previous Page \$ 5,898,776

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

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

Capital Assets Reported as Expenditures Reported in Governmental Fund Statements	569,752
Depreciation Expense Reported in the Statement of Activities	(3,435,842)
Net Book Value of Disposals	

Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal Repaid	2,155,000
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Accrued Interest on Long-Term Debt	(59,675)
Amortization of Premiums, Discounts and Loss on Advance Refunding	323,188
Compensated Absences	(26,254)
Net Pension Liability	4,002,545
Deferred Outflows of Resources Related to Pensions	(7,139,502)
Deferred Inflows of Resources Related to Pensions	3,463,926
Other Postemployment Benefits	50,445
Deferred Outflows of Resources Related to Other Postemployment Benefits	12,411
Deferred Inflows of Resources Related to Other Postemployment Benefits	(49,780)
	(49,780)

Change in Net Position of Governmental Activities as Reported in the Statement of Activities	\$ <u>5,764,990</u>
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**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2024**

	Private Purpose Trust	Employee Benefit Trust	Custodial Student Activity	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 2,427,919	\$ 8,466,688	\$ 21,700	\$ 10,916,307
<b>LIABILITIES</b>				
Accounts Payable	-	-	3,180	3,180
Due to District Funds	-	177,627	-	177,627
Total Liabilities	-	177,627	3,180	180,807
<b>NET POSITION</b>				
Restricted	<u>\$ 2,427,919</u>	<u>\$ 8,289,061</u>	<u>\$ 18,520</u>	<u>\$ 10,735,500</u>

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2024**

	Private Purpose Trust	Employee Benefit Trust	Custodial Student Activity	Totals
<b>ADDITIONS</b>				
Other Local Sources	\$ 20,000	\$ -	\$ 260,733	\$ 280,733
Contributions:				
Employer	-	515,690	-	515,690
Other Contributions	-	6,953	-	6,953
Investment Earnings	586,642	130,225	-	716,867
Total Additions	<u>606,642</u>	<u>652,868</u>	<u>260,733</u>	<u>1,520,243</u>
<b>DEDUCTIONS</b>				
Trust Fund Disbursements	377,365	481,041	-	858,406
Administrative Expenditures	-	3,310	-	3,310
Custodial Expenditures	-	-	260,966	260,966
Refunds and Adjustments	10,725	-	-	10,725
Total Deductions	<u>388,090</u>	<u>484,351</u>	<u>260,966</u>	<u>1,133,407</u>
<b>CHANGE IN NET POSITION</b>	218,552	168,517	(233)	386,836
Net Position - Beginning of Year	<u>2,209,367</u>	<u>8,120,544</u>	<u>18,753</u>	<u>10,348,664</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 2,427,919</u>	<u>\$ 8,289,061</u>	<u>\$ 18,520</u>	<u>\$ 10,735,500</u>

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the Shorewood School District, Shorewood, Wisconsin (the District), have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. 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:

**A. Reporting Entity**

The District is organized as a unified school district. The District, governed by an elected five-member board, operates grades K through 12 and is comprised of all or parts of one taxing districts. In accordance with U.S. GAAP, the basic financial statements are required to include the District and any separate component units that have a significant operational or financial relationship with the District. The District has not identified any component units that are required to be included in the basic financial statements in accordance with standards.

**B. Government-Wide and Fund Financial Statements**

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are primarily supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental and fiduciary funds, even though the latter are excluded from the district-wide financial statements. Governmental funds include general, special revenue, debt service and capital projects funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Government-Wide and Fund Financial Statements (Continued)**

The District reports the following major governmental funds:

**General Fund** – This is the District’s primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

**Referendum Debt Service Fund** – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt related to referendum projects.

**Capital Expansion Fund** – This fund accounts for the expenditures related to capital projects.

**Capital Projects Fund** – This fund accounts for the expenditures related to the recently passed referendum.

**Community Service Fund** – This fund accounts for the money set aside by the District for activities that serve the community.

Additionally, the District reports the following fund types:

The private purpose trust fund is used to account for resources legally held in trust for scholarship awards. Only earnings on the invested resources may be used to support the scholarships.

The employee benefit trust fund is used to account for resources legally held in trust for other postemployment benefits.

The student activity custodial fund is used to account for parent organization activity.

**C. Measurement Focus and Basis of Accounting**

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus and Basis of Accounting (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days, except grant which is 120 days, of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes are recognized as revenue in the fiscal year for which taxes have been levied. Tuition, grants, fees, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when the cash is received by the District.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, and fees and fines, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance**

**1. Cash and Investments**

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**2. Property Taxes**

The aggregate District tax levy is apportioned and certified in November 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 must be paid in full or in 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 20<sup>th</sup> of each subsequent month thereafter, the District is paid by the collecting municipalities its proportionate share of tax collections received through the last day of the preceding month. On or before August 20, the county treasurer makes full settlement to the District for any remaining balance.

Property taxes are recognized as revenue in the fiscal year levied as they are considered due as of January 1, the date from which interest and penalties accrue for nonpayment of a scheduled installment, and full receipt of the entire levy is assured within 60 days of fiscal year-end, meeting the availability criteria necessary for property tax revenue recognition by accounting principles generally accepted in the United States of America.

**3. Accounts Receivable**

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

**4. Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” and “due to other funds” in the fund financial statements.

**5. Prepaid Items**

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are expensed in the period benefited.

Prepaid items of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**6. Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the district-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

Assets	Governmental Activities
Land Improvements	20 Years
Buildings and Improvements	50 Years
Machinery and Equipment	5 - 20 Years

**7. Compensated Absences**

It is the District's policy to permit employees to accumulate earned but unused sick leave benefits in accordance with employee handbook policies and/or bargaining unit agreements. All sick leave is accrued when incurred in the district-wide financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

**8. Deferred Outflows/Inflows of Resources**

Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**9. Long-Term Obligations**

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

In the fund financial statements, governmental funds 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.

**10. Pensions**

Wisconsin Retirement System

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 the 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.

Supplemental Pension Plan

Qualifying teachers and administrators are provided with a supplemental pension. The supplemental pension is a single employer defined benefit plan administered by the District. For purposes of measuring the supplemental pension liability, related deferred outflows and inflows and pension expense, the District has used values provided by their actuary. Benefit payments are recognized when due and payable in accordance with the benefit terms.

**SHOREWOOD SCHOOL DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**11. Other Postemployment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's Other Postemployment Benefit Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

**12. Fund Equity**

Governmental Fund Financial Statements

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable Fund Balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- **Restricted Fund Balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- **Committed Fund Balance.** Amounts that are constrained for specific purposes by action of the Board of Education. These constraints can only be removed or changed by the Board of Education using the same action that was used to create them.
- **Assigned Fund Balance.** Amounts that are constrained for specific purposes by action of District management. The Board of Education has not authorized a specific employee to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- **Unassigned Fund Balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**12. Fund Equity (Continued)**

The District has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

District-Wide Financial Statements

Equity is classified as net position and displayed in three components:

- **Net investment in Capital Assets.** Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- **Restricted Net Position.** Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position.** Net position that is neither classified as restricted nor as net investment in capital assets.

**E. Use of Estimates**

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

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. Accounting Changes**

The Capital Expansion Fund previously did not meet the criteria to be reported as a major governmental fund. However, effective July 1, 2023, the fund now meets criteria to be reported as a major fund and is reported as such for the fiscal year ended June 30, 2024. The effect of that change to or within the financial reporting entity is shown in column C of the table below:

	June 30, 2023, As Previously Reported	Change to or Within the Financial Reporting Entity (C)	June 30, 2023, As Adjusted
Governmental Funds:			
Major Funds:			
General Fund	\$ 4,903,835	\$ -	\$ 4,903,835
Referendum Debt Service	2,184,196	-	2,184,196
Capital Expansion	-	1,066,862	1,066,862
Capital Projects	768,640	-	768,640
Community Service	1,349,357	-	1,349,357
Nonmajor Funds	2,538,572	(1,066,862)	1,471,710
Total Governmental Funds	<u>\$ 11,744,600</u>	<u>\$ -</u>	<u>\$ 11,744,600</u>

**NOTE 2 DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

The debt service funds account for their transactions through separate and distinct bank and investment accounts as required by State Statutes. In addition, the custodial fund uses separate and distinct accounts. All other funds share in common bank and investment accounts.

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state, and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

The carrying amount of the District's cash and investments totaled \$27,207,028 on June 30, 2024 as summarized below:

Petty Cash and Cash on Hand	\$ 200
Deposits with Financial Institutions	523,510
Investments:	
Wisconsin Investment Series Cooperative (WISC):	
Cash Management Series	5,549,740
Investment Series	10,313,062
Exchange Traded Funds	1,682,880
Mutual Funds - Fixed Income	362,073
Mutual Funds - Equities	308,876
Annuity Contract	8,466,687
Total	<u>\$ 27,207,028</u>

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 16,290,721
Fiduciary Fund Statement of Net Position:	
Private Purpose Trust	2,427,919
Employee Benefit Trust	8,466,688
Custodial Fund - Pupil Activity	21,700
Total	<u>\$ 27,207,028</u>

The investment balance of the WISC Cash Management Series is \$5,625,707. The difference between the book balance of \$5,549,740 and investment balance of \$5,625,707 is outstanding checks drawn on the Cash Management Series at year-end.

The investment balance of the WISC Investment Series is \$10,828,752. The difference between the book balance of \$10,313,062 and investment balance of \$10,828,752 is outstanding checks drawn on the Investment Series at year-end.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Cash and Investments (Continued)**

Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The District has the following fair value measurements as of June 30, 2024:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments:			
Exchange Traded Funds	\$ 1,682,880	\$ -	\$ -
Mutual Funds - Fixed Income	362,073	-	-
Mutual Funds - Equities	308,876	-	-
Total	\$ 2,353,829	\$ -	\$ -

Deposits and investments of the District are subject to various risks. Presented below is a discussion of the District's deposits and investments and the related risks.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin Statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The District does not have an additional custodial credit policy.

Deposits with financial institutions within the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the state of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

Custodial Credit Risk (Continued)

Also, the state of Wisconsin has a State Guarantee Fund which provides a maximum of \$1,000,000 per public depository above the amount provided by an agency of the U.S. government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of June 30, 2024, none of the District's deposits with financial institutions were in excess of federal and state depository insurance limits.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin Statutes limit investment in securities to the top two ratings assigned by nationally recognized statistical rating organizations. Presented below is the actual rating as of the year-end for each investment type.

Investment Type	Amount	Exempt from Disclosure	AAA	AA	Not Rated
Mutual Funds - Fixed Income	\$ 362,073	\$ -	\$ -	\$ 362,073	\$ -
Exchange Traded Funds	1,682,880	-	-	-	1,682,880
Wisconsin Investment Series Cooperative (WISC):					
Cash Management Series	5,549,740	-	5,549,740	-	-
Investment Series	10,313,062	-	10,313,062	-	-
Totals	<u>\$ 17,907,755</u>	<u>\$ -</u>	<u>\$ 15,862,802</u>	<u>\$ 362,073</u>	<u>\$ 1,682,880</u>

Concentration of Credit Risk

At June 30, 2024, the District had no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total District investments.

Interest Rate Risk

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

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

Interest Rate Risk (Continued)

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Mutual Funds - Fixed Income Wisconsin Investment Series Cooperative (WISC):	\$ 362,073	\$ -	\$ 362,073	\$ -	\$ -
Cash Management Series	5,549,740	5,549,740	-	-	-
Investment Series	10,313,062	10,313,062	-	-	-
Totals	<u>\$ 16,224,875</u>	<u>\$ 15,862,802</u>	<u>\$ 362,073</u>	<u>\$ -</u>	<u>\$ -</u>

Investments

The District has established an employee benefit trust fund to pay retiree's postretirement benefits. The trust has \$8,499,626 invested in the fixed interest annuities, which are reported at amortized cost, with American United Life Insurance Company® (AUL), a OneAmerica® Company. These fixed interest annuities are backed by AUL's general account assets. AUL bears the investment risk for the AUL Fixed Interest Account values and for paying interest.

Investment in Wisconsin Investment Series Cooperation

The District has investments in the Wisconsin Investment Series Cooperative (WISC) of \$16,454,459 at year-end consisting of \$5,625,707 invested in the Cash Management Series and \$10,828,752 invested in the Investment Series. The book value of the Cash Management Series is \$5,549,740 and the book value of the investment series is \$10,313,062. The Cash Management Series has no minimum investment period, allows check writing privileges, and the average dollar weighted maturity is 90 days or less. The Investment Series requires a 14-day minimum investment period and one business day withdrawal notice, and the average dollar weighted maturity is 120 days or less.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

Investment in Wisconsin Investment Series Cooperation

WISC is organized by and operated exclusively for Wisconsin public schools, technical colleges, and municipal entities. WISC is not registered with the Securities and Exchange Commission, but operates under Wisconsin International Cooperate Statute, Wisconsin Statute, Section 66.031. WISC is governed by the Wisconsin Investment Series Cooperative Commission in accordance with the terms of the Intergovernmental Cooperation Agreement. WISC invests District funds in accordance with Wisconsin law. WISC investments are valued at amortized cost, which approximates market value.

**B. Capital Assets**

Capital asset activity for the year ended June 30, 2024 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets, Nondepreciable:				
Land	\$ 44,000	\$ -	\$ -	\$ 44,000
Construction in Progress	98,383	161,675	98,383	161,675
Total Capital Assets, Nondepreciable	<u>142,383</u>	<u>161,675</u>	<u>98,383</u>	<u>205,675</u>
Capital Assets, Depreciable:				
Land Improvements	8,613,989	23,721	-	8,637,710
Buildings and Improvements	99,125,954	183,447	-	99,309,401
Machinery and Equipment	6,977,835	299,292	-	7,277,127
Subtotals	<u>114,717,778</u>	<u>506,460</u>	<u>-</u>	<u>115,224,238</u>
Less Accumulated Depreciation for:				
Land Improvements	4,190,428	439,262	-	4,629,690
Buildings and Improvements	18,184,986	2,884,727	-	21,069,713
Machinery and Equipment	6,418,979	111,853	-	6,530,832
Subtotals	<u>28,794,393</u>	<u>3,435,842</u>	<u>-</u>	<u>32,230,235</u>
Total Capital Assets, Depreciable, Net	<u>85,923,385</u>	<u>(2,929,382)</u>	<u>-</u>	<u>82,994,003</u>
Governmental Activities Capital Assets, Net	<u>\$ 86,065,768</u>	<u>\$ (2,767,707)</u>	<u>\$ 98,383</u>	83,199,678
Less: Capital Related Debt, net of unspent bond proceeds and accounts payable				55,010,506
Less: Debt Premium				<u>2,219,711</u>
Net Investment in Capital Assets				<u>\$ 25,969,461</u>

The District's capital assets are shared by many governmental functions. Accordingly, it was not considered practical to allocate depreciation expense.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Interfund Receivables, Payables, and Transfers**

Interfund receivables and payables includes \$177,627 due from the Employee Benefit Trust and District funds and \$130,000 due between the General Fund and Capital Projects.

Interfund transfers between individual funds of the District, as reported in the fund financial statements, as of June 30, 2024 are detailed below:

Fund	Transfer In	Transfer Out
General Fund	\$ -	\$ 280,000
Referendum Debt Service	574,999	-
Capital Projects Fund	280,000	574,999
Total	<u>\$ 854,999</u>	<u>\$ 854,999</u>
Capital Project Contribution	\$ 280,000	
Transfer of Excess Project Costs to Debt Service	574,999	
	<u>\$ 854,999</u>	

**D. Short-Term Obligations**

The District issued tax and revenue anticipation promissory notes in advance of property tax collections. The notes are needed because District expenses for the year begin in July whereas tax collections are not received until January. Short-term debt activity for the year ended June 30, 2024 was as follows:

	Outstanding 7/1/23	Issued	Retired	Outstanding 6/30/24
Tax and Revenue Anticipation Notes	<u>\$ -</u>	<u>\$ 3,600,000</u>	<u>\$ 3,600,000</u>	<u>\$ -</u>

Total interest paid for the year on short-term debt totaled \$75,500.

**E. Long-Term Obligations**

The following is a summary of changes in long-term obligations of the District for the year ended June 30, 2024:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Debt:					
Bonds	\$ 59,730,000	\$ -	\$ 2,155,000	\$ 57,575,000	\$ 2,360,000
Debt Premium	2,542,899	-	323,188	2,219,711	-
Compensated Absences	25,465	28,366	2,112	51,719	12,930
Governmental Activities Long-Term Obligations	<u>\$ 62,298,364</u>	<u>\$ 28,366</u>	<u>\$ 2,480,300</u>	<u>\$ 59,846,430</u>	<u>\$ 2,372,930</u>

Total interest paid during the year on long-term debt totaled \$1,949,736.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance June 30, 2024
General Obligation Bonds	04/01/15	10/01/35	3.00-3.95%	\$ 5,055,000	\$ 2,850,000
School Improvement Bonds	07/01/19	04/01/39	3.00-4.00%	40,000,000	29,850,000
General Obligation Refunding Bonds	07/06/21	10/01/28	1.00-2.00%	3,875,000	2,765,000
General Obligation Refunding Bonds	05/30/23	04/01/43	4.00-5.00%	22,110,000	22,110,000
Total Outstanding General Obligation Debt					<u>\$ 57,575,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$57,575,000 on June 30, 2024 are detailed below:

<u>Year Ended June 30.</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 2,360,000	\$ 2,042,411	\$ 4,402,411
2026	2,435,000	1,967,386	4,402,386
2027	2,515,000	1,889,611	4,404,611
2028	2,600,000	1,805,546	4,405,546
2029	3,030,000	1,718,595	4,748,595
2030 - 2034	13,570,000	7,075,652	20,645,652
2035 - 2039	16,010,000	4,613,700	20,623,700
2040 - 2043	15,055,000	1,535,800	16,590,800
Total	<u>\$ 57,575,000</u>	<u>\$ 22,648,701</u>	<u>\$ 80,223,701</u>

For governmental activities, the other long-term liabilities are generally funded by the General Fund.

Legal Margin for New Debt

The District's legal margin for creation of additional general obligation debt on June 30, 2024 was \$168,314,197 as follows:

Equalized Valuation of the District	\$ 2,258,891,974
Statutory Limitation Percentage	<u>10%</u>
General Obligation Debt Limitation, Per Section 67.03 of the Wisconsin Statutes	225,889,197
Total Outstanding General Obligation Debt Applicable to Debt Limitation	<u>57,575,000</u>
Legal Margin for New Debt	<u>\$ 168,314,197</u>

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Pension Plans**

The District reports pension related balances as of and for the year ended June 30, 2024, as summarized below:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Expense (Revenue)
Wisconsin Retirement System (WRS)	\$ 1,379,179	\$ 11,743,890	\$ 7,370,130	\$ 977,460
Supplemental or Stipend Pension Plan	732,661	77,993	338,183	91,605
Total	<u>\$ 2,111,840</u>	<u>\$ 11,821,883</u>	<u>\$ 7,708,313</u>	<u>\$ 1,069,065</u>

**1. WRS Pension Plan Description**

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

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

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

**Vesting**

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

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**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Pension Plans (Continued)**

**1. WRS Pension Plan Description (Continued)**

**Benefits Provided**

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

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

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

The WRS also provides death and disability benefits for employees.

**2. 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:

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**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Pension Plans (Continued)**

**2. Postretirement Adjustments (Continued)**

<u>Year</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
2014	4.7	25
2015	2.9	2
2016	0.5	-5
2017	2.0	4
2018	2.4	17
2019	0.0	-10
2020	1.7	21
2021	5.1	13
2022	7.4	15
2023	1.6	-21

**3. Contributions**

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

During the year ending June 30, 2024, the WRS recognized \$1,154,073 in contributions from the District.

Contribution rates as of June 30, 2024 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Including Teachers, Executives, and Elected Officials)	6.90%	6.90%

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NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Pension Plans (Continued)**

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

At June 30, 2024, the District reported a liability of \$1,379,179 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, the District's proportion was 0.09276121%, which was a decrease of 0.00600894% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$977,460.

At June 30, 2024, 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	\$ 5,560,836	\$ 7,365,362
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	4,806,216	-
Changes in Assumptions	601,144	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	84,155	4,768
Employer Contributions Subsequent to the Measurement Date	691,539	-
Total	\$ 11,743,890	\$ 7,370,130

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Pension Plans (Continued)**

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

The \$691,539 reported as deferred outflows related to pension resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Expense</u>
2025	\$ 764,278
2026	805,065
2027	3,035,168
2028	(922,290)
Total	\$ 3,682,221

**5. Actuarial Assumptions**

The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2022
Measurement Date of Net Pension Liability:	December 31, 2023
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.7%

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

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Pension Plans (Continued)**

**5. Actuarial Assumptions (Continued)**

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

**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:

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

New England Pension Consultants Long-Term US CPI (Inflation) Forecast: 2.70%

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

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%.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
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JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Pension Plans (Continued)**

**5. Actuarial Assumptions (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 single discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 3.77% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of December 31, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.8%)
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 13,330,433	\$ 1,379,179	\$ (6,983,619)

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

**Payable to the Pension Plan**

The District reported a payable of \$389,427 for the outstanding amount of contributions to the pension plan for the year ended June 30, 2024.

**SHOREWOOD SCHOOL DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Pension Plans (Continued)**

**6. Supplemental or Stipend Pension Plan**

Pension Description

The plan, a single-employer pension plan, is a defined benefit pension plan established to provide a cash stipend to some retirees. The plan is administered by the District. No assets are accumulated in a trust. The Plan does not issue separate financial statements.

Benefits Provided

A summary of eligibility requirements and plan benefits follows:

Administrators retiring on or after July 1, 2014 who were at least age 55 (if hired prior to July 1, 2007) or 57 (if hired on or after July 1, 2007) will receive a lump-sum payment in cash upon retirement equal to one week of pay per year of service, not to exceed 25 years of service.

Teachers retiring on or after July 1, 2014 who were at least age 57 will receive a lump-sum payment in cash upon retirement equal to the sum of the following: the daily rate of pay times years of services plus a flat dollar amount based on years of services: 15-24 years \$1,000, 25-29 years \$2,000, 30-34 years \$3,000, and more than 35 years \$3,500.

Employees Covered by Benefit Terms

At June 30, 2023, the following employees were covered by the benefit terms:

Active Employees	<u><u>174</u></u>
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Funding Policy

The entire cost of these benefits is paid by the District. Benefits are currently funded on a pay-as-you-go basis and no assets exist to prefund retiree benefits.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Pension Plans (Continued)**

**6. Supplemental or Stipend Pension Plan (Continued)**

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

<u>Component</u>	<u>Amount</u>
Total Pension Liability at July 1, 2023	\$ 881,836
Changes for the Year:	
Service Cost	81,862
Interest	36,766
Differences Between Expected and Actual Experience	(161,819)
Changes of Assumptions or Other Input	9,392
Benefit Payments	(115,376)
Net Changes	<u>(149,175)</u>
Total Pension Liability at June 30, 2024	<u>\$ 732,661</u>

For the year ended June 30, 2024, the District recognized pension expense of \$91,605.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 41,081	\$ 233,788
Changes in Assumptions	36,912	104,395
Total	<u>\$ 77,993</u>	<u>\$ 338,183</u>

**SHOREWOOD SCHOOL DISTRICT  
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**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Pension Plans (Continued)**

**6. Supplemental or Stipend Pension Plan (Continued)**

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

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

<u>Year Ended June 30,</u>	<u>Expense</u>
2025	\$ (27,023)
2026	(27,023)
2027	(27,023)
2028	(27,023)
2029	(27,023)
Thereafter	(125,075)
Total	<u>\$ (260,190)</u>

Actuarial Assumptions

The District's total pension liability was measured as of June 30, 2024.

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal
Discount Rate*	4.21%
Municipal Bond Rate Source	S&P Municipal Bond 20 Year High Grade Index
Actuarial Assumptions	Based on an experience study conducted in 2021 using Wisconsin Retirement System (WRS) experience from 2018-20
Mortality Assumptions	2020 WRS Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010

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

**SHOREWOOD SCHOOL DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Pension Plans (Continued)**

**6. Supplemental or Stipend Pension Plan (Continued)**

Actuarial Assumptions (Continued)

**Sensitivity of the District’s Total Pension Liability to Changes in the Discount Rate** – The following presents the District’s total pension liability at June 30, 2024 calculated using the discount rate of 4.21%, as well as what the District’s total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.21%) or 1-percentage-point higher (5.21%) than the current rate.

	1% Decrease to Discount Rate (3.21%)	Current Discount Rate (4.21%)	1% Increase to Discount Rate (5.21%)
Total Pension Liability	\$ 776,456	\$ 732,661	\$ 690,684

Payable to the Supplemental Pension Plan

The District reported a payable of \$0 for the outstanding amount of contributions to the Plan required for the year ended June 30, 2024.

**G. Other Postemployment Benefits**

Plan Description

The Plan is a single-employer defined benefit postemployment health plan that covers retired employees of the District. Eligible retired employees have access to group medical coverage through the District’s group plan. District paid medical benefits are paid for as indicated below. All employees of the District are eligible for the Plan if they meet the following age and service requirements below.

Benefits Provided

The District provides medical (including prescription drugs) coverage for retired employees through the District’s self-insured plans.

Employees Covered by Benefit Terms

At June 30, 2023, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently		
Receiving Benefit Payments		17
Active Employees		174
Total		191

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Other Postemployment Benefits (Continued)**

Contributions

Certain retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of insurance premiums based on the employee group and their retirement date. District paid medical and dental benefits are paid until the retiree or surviving spouse becomes eligible for Medicare.

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2024. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023.

**Actuarial Assumptions** – The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal
Discount Rate*	4.21%
Municipal Bond Rate Source	S&P Municipal Bond 20 Year High Grade Index
Actuarial Assumptions	Based on an experience study conducted in 2021 using Wisconsin Retirement System (WRS) experience from 2018-20
Mortality Assumptions	2020 WRS Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010

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

**Discount Rate** – The discount rate used to measure the total OPEB liability was 4.21%. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Other Postemployment Benefits (Continued)**

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2023	\$ 1,522,215	\$ 104,486	\$ 1,417,729
Changes for the Year:			
Service Cost	123,905	-	123,905
Interest	65,126	-	65,126
Differences Between Expected and Actual Experience	(168,651)	-	(168,651)
Contributions - Employer	-	103,580	(103,580)
Changes in Assumptions or Other Input	34,346	-	34,346
Net Investment Income	-	1,591	(1,591)
Benefit Payments	(103,580)	(103,580)	-
Net Changes	<u>(48,854)</u>	<u>1,591</u>	<u>(50,445)</u>
Balance at June 30, 2024	<u>\$ 1,473,361</u>	<u>\$ 106,077</u>	<u>\$ 1,367,284</u>

OPEB Expense

For the year ended June 30, 2024, the District recognized OPEB expense of \$90,504.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 3,991	\$ 621,602
Changes in Assumptions	151,661	249,145
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	3,816	-
Total	<u>\$ 159,468</u>	<u>\$ 870,747</u>

**SHOREWOOD SCHOOL DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Other Postemployment Benefits (Continued)**

OPEB Expense (Continued)

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

<u>Year Ended June 30,</u>	<u>Expense</u>
2025	\$ (93,636)
2026	(93,561)
2027	(93,699)
2028	(94,144)
2029	(94,717)
Thereafter	(241,522)
Total	<u><u>\$ (711,279)</u></u>

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate** – The following presents the net OPEB liability of the District, as well as what the District’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.21%) or 1-percentage-point higher (5.21%) than the current rate:

	<u>1% Decrease to Discount Rate (3.21%)</u>	<u>Current Discount Rate (4.21%)</u>	<u>1% Increase to Discount Rate (5.21%)</u>
Net OPEB Liability	\$ 1,458,597	\$ 1,367,284	\$ 1,281,055

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates** – The following presents the net OPEB liability of the District, as well as what the District’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.0% decreasing to 3.5%) or 1-percentage-point higher (8.0% decreasing to 5.5%) than the current healthcare cost trend rates:

	<u>1% Decrease (6.0% Decreasing to 3.5%)</u>	<u>Healthcare Cost Trend Rates (7.0% Decreasing to 4.5%)</u>	<u>1% Increase (8.0% Decreasing to 5.5%)</u>
Net OPEB Liability	\$ 1,229,793	\$ 1,367,284	\$ 1,528,485

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Other Postemployment Benefits (Continued)**

OPEB Expense (Continued)

**OPEB Plan Fiduciary Net Position** – Information about the OPEB plan’s fiduciary net position is presented in the Employee Benefit Trust Fund in these financial statements. The portion of net position in the Employee Benefit Trust Fund related to the District’s OPEB plan totals \$106,077 and which represents 7.20% of the total OPEB liability.

**Investments** – The Plan does not have a separate investment policy from the District. At June 30, 2024, the Plan asset allocation policy is to invest Plan assets in the fixed interest annuities with American United Life Insurance Company® (AUL), a OneAmerica® Company. These fixed interest annuities are backed by AUL’s general account assets. AUL bears the investment risk for the AUL Fixed Interest Account values and for paying interest. Plan investments have an expected rate of return of approximately 3.50%. For the year ended June 30, 2024, the annual money-weighted rate of return, net of investment expenses, was 0.11%, and this is assumed to be the best estimate of the long-term arithmetic rate of return for the Plan’s investments.

**Payable to the OPEB Plan**

The District reported a payable of \$-0- for the outstanding amount of contribution to the Plan required for the year ended June 30, 2024.

**H. Fund Equity**

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At June 30, 2024, nonspendable fund balance was as follows:

	General	Community Service	Donations
Nonspendable:			
Prepaid Items	\$ 15,301	\$ 3,749	\$ 6,535

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Fund Equity (Continued)**

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At June 30, 2024, restricted fund balance was as follows:

General Fund:	
Restricted for:	
Grant Funds	\$ 40,471
Special Revenue Funds:	
Restricted for:	
Community Service	983,475
Food Service	573,237
Debt Service Funds:	
Restricted for:	
Nonreferendum Debt Service	193,947
Referendum Debt Service	3,069,410
Capital Projects Fund:	
Restricted for:	
Capital Projects	<u>1,986,441</u>
Total Restricted Fund Balance	<u><u>\$ 6,846,981</u></u>

Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by School Board action. At June 30, 2024, fund balance was committed as follows:

Special Revenue Funds:	
Committed for:	
Donations	<u><u>\$ 611,940</u></u>

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Fund Equity (Continued)**

Minimum General Fund Balance Policy

The District has also adopted a minimum fund balance policy of 10 - 25% of subsequent year budgeted expenditures for the General Fund. The minimum fund balance is maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

Actual 2024 General Fund Expenditures	\$	24,770,165
Minimum Fund Balance %		10 - 25%
Minimum Fund Balance Amount		<u>\$2,477,017 - \$6,192,541</u>

The District's unassigned General Fund balance of \$10,165,405 is greater than minimum fund balance range.

**NOTE 3 OTHER INFORMATION**

**A. 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; and natural disasters for which the government carries commercial insurance. The District completes an annual review of its insurance coverage to ensure adequate coverage. Settled claims for the last three years have not exceeded insurance coverage.

**B. Contingencies and Commitments**

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

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

**C. Limitation on School District Revenues**

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

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 3 OTHER INFORMATION (CONTINUED)**

**C. Limitation on School District Revenues (Continued)**

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

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

**REQUIRED SUPPLEMENTARY INFORMATION**

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL – GENERAL FUND – BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
<b>REVENUES</b>				
Property Taxes	\$ 20,338,974	\$ 20,338,974	\$ 20,339,049	\$ 75
Other Local Sources	681,685	681,685	1,301,739	620,054
Interdistrict Sources	2,085,556	2,085,556	2,006,764	(78,792)
Intermediate Sources	-	-	20,631	20,631
State Sources	7,031,854	7,031,854	7,155,747	123,893
Federal Sources	1,123,240	1,123,240	1,120,724	(2,516)
Other Sources	195,000	195,000	389,230	194,230
Total Revenues	<u>31,456,309</u>	<u>31,456,309</u>	<u>32,333,884</u>	<u>877,575</u>
<b>EXPENDITURES</b>				
Instruction:				
Regular Instruction	12,882,335	12,894,335	12,484,496	409,839
Vocational Instruction	184,124	184,124	187,562	(3,438)
Other Instruction	1,111,337	1,111,337	1,084,669	26,668
Total Instruction	<u>14,177,796</u>	<u>14,189,796</u>	<u>13,756,727</u>	<u>433,069</u>
Support Services:				
Pupil Services	1,381,757	1,381,757	1,390,391	(8,634)
Instructional Staff Services	1,281,177	1,256,177	1,247,653	8,524
General Administration Services	782,946	782,946	752,164	30,782
School Administration Services	1,632,237	1,626,125	1,483,227	142,898
Business Services	763,334	763,334	740,885	22,449
Operations and Maintenance of Plant	3,451,929	3,451,929	3,237,516	214,413
Pupil Transportation Services	167,230	167,230	225,519	(58,289)
Central Services	393,950	413,063	360,618	52,445
Insurance	343,418	343,418	331,540	11,878
Other Support Services	136,355	136,355	140,812	(4,457)
Total Support Services	<u>10,334,333</u>	<u>10,322,334</u>	<u>9,910,325</u>	<u>412,009</u>
Debt Service:				
Principal	18,157	18,157	-	18,157
Interest and Fiscal Charges	65,000	65,000	90,516	(25,516)
Total Debt Service	<u>83,157</u>	<u>83,157</u>	<u>90,516</u>	<u>(7,359)</u>

See accompanying Notes to Required Supplementary Information.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL – GENERAL FUND – BUDGETARY BASIS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
<b>EXPENDITURES (CONTINUED)</b>				
Nonprogram:				
General Tuition Payments	\$ 1,013,997	\$ 1,013,997	\$ 1,003,538	\$ 10,459
Adjustments and Refunds	-	-	9,059	(9,059)
Total Nonprogram	<u>1,013,997</u>	<u>1,013,997</u>	<u>1,012,597</u>	<u>1,400</u>
 Total Expenditures	<u>25,609,283</u>	<u>25,609,284</u>	<u>24,770,165</u>	<u>839,119</u>
 Excess of Revenues Over Expenditures	5,847,026	5,847,025	7,563,719	1,716,694
<b>OTHER FINANCING SOURCES (USES)</b>				
Capital Lease Issued	-	-	69,615	69,615
Premium on Debt Issued	-	-	19,296	19,296
Transfers Out	<u>(2,611,803)</u>	<u>(2,611,803)</u>	<u>(2,335,288)</u>	<u>276,515</u>
Total Other Financing Sources (Uses)	<u>(2,611,803)</u>	<u>(2,611,803)</u>	<u>(2,246,377)</u>	<u>365,426</u>
 <b>NET CHANGE IN FUND BALANCE</b>	3,235,223	3,235,222	5,317,342	2,082,120
 Fund Balance - Beginning of Year	<u>4,903,835</u>	<u>4,903,835</u>	<u>4,903,835</u>	<u>-</u>
 <b>FUND BALANCE - END OF YEAR</b>	<u>\$ 8,139,058</u>	<u>\$ 8,139,057</u>	<u>\$ 10,221,177</u>	<u>\$ 2,082,120</u>

See accompanying Notes to Required Supplementary Information.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL – SPECIAL EDUCATION SPECIAL REVENUE FUND – BUDGETARY  
BASIS  
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
<b>REVENUES</b>				
Intermediate Sources	\$ -	\$ -	\$ 8,330	\$ 8,330
State Sources	1,123,087	1,123,087	1,125,014	1,927
Federal Sources	381,434	381,434	412,855	31,421
Other Sources	-	-	408	408
Total Revenues	<u>1,504,521</u>	<u>1,504,521</u>	<u>1,546,607</u>	<u>42,086</u>
<b>EXPENDITURES</b>				
Instruction:				
Special Education Instruction	2,642,915	2,642,915	2,543,612	99,303
Support Services:				
Pupil Services	562,469	552,469	461,553	90,916
Instructional Staff Services	410,810	410,810	323,925	86,885
General Administration Services	48,671	48,671	20,619	28,052
Business Services	-	-	2,680	(2,680)
Operations and Maintenance of Plant	500	500	1,397	(897)
Pupil Transportation Services	67,500	67,500	49,172	18,328
Central Services	-	-	373	(373)
Total Support Services	<u>1,089,950</u>	<u>1,079,950</u>	<u>859,719</u>	<u>220,231</u>
Nonprogram:				
Special Education Tuition Payments	<u>202,072</u>	<u>274,828</u>	<u>198,564</u>	<u>76,264</u>
Total Expenditures	<u>3,934,937</u>	<u>3,997,693</u>	<u>3,601,895</u>	<u>395,798</u>
Excess of Revenues Under Expenditures	(2,430,416)	(2,493,172)	(2,055,288)	437,884
<b>OTHER FINANCING SOURCES</b>				
Transfers In	<u>2,430,416</u>	<u>2,493,172</u>	<u>2,055,288</u>	<u>(437,884)</u>
<b>NET CHANGE IN FUND BALANCE</b>				
	-	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying Notes to Required Supplementary Information.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL – COMMUNITY SERVICE FUND – BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
<b>REVENUES</b>				
Property Taxes	\$ 800,000	\$ 800,000	\$ 800,000	\$ -
Other Local Sources	924,775	924,775	1,170,036	245,261
Total Revenues	<u>1,724,775</u>	<u>1,724,775</u>	<u>1,970,036</u>	<u>245,261</u>
<b>EXPENDITURES</b>				
Support Services:				
General Administration Services	87,678	87,678	85,832	1,846
Business Services	27,280	27,280	26,557	723
Operations and Maintenance of Plant	708,070	708,070	637,061	71,009
Pupil Transportation Services	22,000	-	-	-
Central Services	50,000	50,000	46,000	4,000
Insurance	20,260	20,260	-	20,260
Other Support Services	27,702	27,702	26,522	1,180
Total Support Services	<u>942,990</u>	<u>920,990</u>	<u>821,972</u>	<u>99,018</u>
Community Service	<u>1,450,473</u>	<u>1,472,473</u>	<u>1,510,197</u>	<u>(37,724)</u>
Total Expenditures	<u>2,393,463</u>	<u>2,393,463</u>	<u>2,332,169</u>	<u>61,294</u>
<b>NET CHANGE IN FUND BALANCE</b>	(668,688)	(668,688)	(362,133)	306,555
Fund Balance - Beginning of Year	<u>1,349,357</u>	<u>1,349,357</u>	<u>1,349,357</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 680,669</u>	<u>\$ 680,669</u>	<u>\$ 987,224</u>	<u>\$ 306,555</u>

See accompanying Notes to Required Supplementary Information.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS  
LAST 10 FISCAL YEARS \***

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability:							
Service Cost	\$ 123,905	\$ 131,036	\$ 195,247	\$ 190,951	\$ 141,192	\$ 136,289	\$ 136,289
Interest	65,126	52,930	49,971	46,855	67,502	72,561	80,463
Differences Between Expected and Actual Experience	(168,651)	4,989	(548,130)	-	(155,082)	-	-
Changes of Assumptions	34,346	(67,503)	(278,776)	-	195,370	30,522	-
Benefit Payments	(103,580)	(91,995)	(97,685)	(105,294)	(134,783)	(361,516)	(493,421)
Net Change in Total OPEB Liability	(48,854)	29,457	(679,373)	132,512	114,199	(122,144)	(276,669)
Total OPEB Liability - Beginning	1,522,215	1,492,758	2,172,131	2,039,619	1,925,420	2,047,564	2,324,233
Total OPEB Liability - Ending (A)	<u>\$ 1,473,361</u>	<u>\$ 1,522,215</u>	<u>\$ 1,492,758</u>	<u>\$ 2,172,131</u>	<u>\$ 2,039,619</u>	<u>\$ 1,925,420</u>	<u>\$ 2,047,564</u>
Plan Fiduciary Net Position:							
Contributions - Employer	\$ 103,580	\$ 91,995	\$ 97,685	\$ 105,294	\$ 134,783	\$ -	\$ -
Net Investment Income	1,591	1,387	1,597	3,278	6,548	6,736	13,296
Benefit Payments	(103,580)	(91,995)	(97,685)	(105,294)	(134,783)	(361,516)	(493,421)
Adjustment	-	-	-	(31,051)	-	-	-
Net Change in Plan Fiduciary Net Position	1,591	1,387	1,597	(27,773)	6,548	(354,780)	(480,125)
Plan Fiduciary Net Position - Beginning	104,486	103,099	101,502	129,275	122,727	477,507	957,632
Plan Fiduciary Net Position - Ending (B)	<u>\$ 106,077</u>	<u>\$ 104,486</u>	<u>\$ 103,099</u>	<u>\$ 101,502</u>	<u>\$ 129,275</u>	<u>\$ 122,727</u>	<u>\$ 477,507</u>
District's Net OPEB Liability - Ending (A) - (B)	<u>\$ 1,367,284</u>	<u>\$ 1,417,729</u>	<u>\$ 1,389,659</u>	<u>\$ 2,070,629</u>	<u>\$ 1,910,344</u>	<u>\$ 1,802,693</u>	<u>\$ 1,570,057</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	7.20%	6.86%	6.91%	4.67%	6.34%	6.37%	23.32%
Covered-Employee Payroll	\$ 16,731,992	\$ 16,509,399	\$ 16,509,399	\$ 15,532,836	\$ 15,532,836	\$ 14,050,149	\$ 14,050,149
District's Net OPEB Liability as a Percentage of Covered-Employee Payroll	8.17%	8.59%	8.42%	13.33%	12.30%	12.83%	11.17%
Weighted-Average Investment Income	0.11%	0.09%	0.09%	0.16%	0.33%	0.34%	0.61%

\* The amounts presented for each fiscal year were determined as of the current fiscal year-end. Amounts for prior years were not available.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OTHER POSTEMPLOYMENT BENEFIT PLAN  
LAST 10 FISCAL YEARS \***

	2024	2023	2022	2021	2020	2019	2018
Actuarially Determined Contribution (ADC)	\$ 177,245	\$ 188,579	\$ 183,086	\$ 253,063	\$ 245,692	\$ 199,615	\$ 193,801
Contributions in Relation to the ADC	103,580	91,995	97,685	105,294	134,783	-	-
Contribution Deficiency (Excess)	\$ 73,665	\$ 96,584	\$ 85,401	\$ 147,769	\$ 110,909	\$ 199,615	\$ 193,801
Covered-Employee Payroll	\$ 16,731,992	\$ 16,509,399	\$ 16,509,399	\$ 15,532,836	\$ 15,532,836	\$ 14,050,149	\$ 14,050,149
Contributions as a Percentage of Covered-Employee Payroll	0.62%	0.56%	0.59%	0.68%	0.87%	0.00%	0.00%
Key Methods and Assumption Used to Calculate ADC							
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Asset Valuation Method	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value
Amortization Method	30 Year Level	30 Year Level	30 Year Level	30 Year Level	30 Year Level	30 Year Level	30 Year Level
	Percentage	Percentage	Percentage	Percentage	Percentage	Percentage	Percentage
Discount Rate	4.21	3.50%	3.50%	2.25%	2.25%	3.50%	3.75%
Amortization Growth Rate	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Inflation	2.50%	2.50%	2.50%	2.00%	2.00%	2.50%	2.50%

\* The amounts presented for each fiscal year were determined as of the current fiscal year-end. Amounts for prior years were not available.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
AND SCHEDULE OF CONTRIBUTIONS – WISCONSIN RETIREMENT SYSTEM**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
LAST 10 MEASUREMENT PERIODS**

Measurement Period Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.09937690%	\$ (2,440,970)	\$ 13,959,685	17.49%	102.74%
12/31/15	0.10134680%	1,646,966	14,867,318	11.08%	98.20%
12/31/16	0.10385620%	856,023	15,385,293	5.56%	99.12%
12/31/17	0.10539545%	(3,129,315)	15,612,340	20.04%	102.93%
12/31/18	0.10629260%	3,781,557	16,494,000	22.93%	96.45%
12/31/19	0.10646772%	(3,433,005)	17,122,529	20.05%	102.96%
12/31/20	0.10574518%	(6,601,818)	17,230,590	38.31%	105.26%
12/31/21	0.10337860%	(8,332,505)	17,315,521	48.12%	106.02%
12/31/22	0.09877015%	5,232,549	16,855,719	31.04%	95.72%
12/31/23	0.09276121%	1,379,179	16,690,993	8.26%	98.85%

**SCHEDULE OF CONTRIBUTIONS  
LAST 10 FISCAL YEARS**

District Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/15	\$ 1,060,610	\$ 1,060,610	\$ -	\$ 15,430,745	6.87%
6/30/16	959,565	959,565	-	14,384,432	6.67%
6/30/17	1,030,060	1,030,060	-	15,327,269	6.72%
6/30/18	1,088,468	1,088,468	-	16,150,536	6.74%
6/30/19	1,104,518	1,104,518	-	16,711,018	6.61%
6/30/20	1,158,333	1,158,333	-	17,366,845	6.67%
6/30/21	1,164,897	1,164,897	-	17,257,727	6.75%
6/30/22	1,128,121	1,128,121	-	17,090,979	6.60%
6/30/23	1,104,671	1,104,671	-	16,535,545	6.68%
6/30/24	1,154,073	1,154,073	-	16,823,289	6.86%

See accompanying Notes to Required Supplementary Information.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
SCHEDULE OF CHANGES IN PENSION LIABILITY AND RELATED RATIOS  
SUPPLEMENTAL PENSION  
LAST 10 FISCAL YEARS \***

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:									
Service Cost	\$ 81,862	\$ 86,099	\$ 92,016	\$ 89,991	\$ 67,579	\$ 65,363	\$ 67,152	\$ 70,192	\$ 74,781
Interest	36,766	29,866	21,681	20,483	29,040	29,786	21,568	21,645	20,364
Differences Between Expected and Actual Experience	(161,819)	48,551	(50,520)	-	(2,258)	-	(93,776)	-	-
Changes in Assumptions	9,392	(35,370)	(56,744)	-	36,497	10,643	(66,770)	-	-
Benefit Payments	(115,376)	(115,176)	(112,304)	(4,152)	(118,709)	(24,257)	(117,177)	(34,841)	(33,111)
Net Change in Total Pension Liability	(149,175)	13,970	(105,871)	106,322	12,149	81,535	(189,003)	56,996	62,034
Total Pension Liability - Beginning	881,836	867,866	973,737	867,415	855,266	773,731	962,734	905,738	843,704
Total Pension Liability - Ending	<u>\$ 732,661</u>	<u>\$ 881,836</u>	<u>\$ 867,866</u>	<u>\$ 973,737</u>	<u>\$ 867,415</u>	<u>\$ 855,266</u>	<u>\$ 773,731</u>	<u>\$ 962,734</u>	<u>\$ 905,738</u>
Covered-Employee Payroll	\$ 13,630,185	\$ 14,118,518	\$ 14,118,518	\$ 12,877,745	\$ 12,877,745	\$ 11,088,313	\$ 11,088,313	\$ 11,455,490	\$ 11,725,199
District's Net Pension Liability as a Percentage of Covered-Employee Payroll	5.38%	6.25%	6.15%	7.56%	6.74%	7.71%	6.98%	8.40%	8.03%

\* The amounts presented for each fiscal year were determined as of the current fiscal year-end. Amounts for prior years were not available.

See accompanying Notes to Required Supplementary Information.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2024**

**NOTE 1 OTHER POSTEMPLOYMENT BENEFITS**

**Single-Employer Defined Benefit Postemployment Benefit Plan**

There is no change of benefit terms.

The amounts reported for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. The District is required to present the last 10 fiscal years of data; however, accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

**NOTE 2 PENSION BENEFITS**

**Wisconsin Retirement System (WRS)**

**Changes of Benefit Terms**

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

*Changes of assumptions:*

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

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

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2024**

**NOTE 2 PENSION BENEFITS (CONTINUED)**

**Supplemental Pension Plan**

There is no change of benefit terms.

The District is required to present the last 10 fiscal years of data; however, accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

**NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING**

Operating budgets are adopted each fiscal year for all governmental funds in accordance with Section 65.90 of the Wisconsin Statutes. Budgetary expenditure control is exercised at the function level. Reported budget amounts are as originally adopted or as amended by Board of Education resolution.

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

- Based upon requests from District staff, District administration recommends budget proposals to the Board of Education.
- The Board of Education prepares a proposed budget including proposed expenditures and the means of financing them for the July 1 through June 30 fiscal year.
- 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 Board of Education may make alterations to the proposed budget.
- Once the Board of Education (following the public hearing) adopts the budget, no changes may be made in the amount of tax to be levied or in the amount of the various appropriations and the purposes of such appropriations unless authorized by a 2/3 vote of the entire Board of Education.
- Appropriations lapse at year-end unless authorized as a carryover by the Board of Education. The portion of fund balance representing carryover appropriations is reported as a committed or assigned fund balance in the fund financial statements.
- Encumbrance accounting is used by the District as an extension of formal budgetary control during the year.
- The DPI requires the District to separate special education revenues and expenditures from other General Fund amounts.

The District did not have any material violation of legal or contractual provisions for the fiscal year ended June 30, 2024.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2024**

**NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)**

**Budgetary Information**

Budgetary information is derived from the annual operating budget and is presented in accordance with generally accepted accounting principles, except the District adopts a budget for the special education special revenue fund in accordance with requirements from the Wisconsin Department of Public Instruction. In accordance with generally accepted accounting principles, this fund is included as part of the general fund in the financial statements. An explanation of the differences between Revenues, Expenditures, and Other Financing Sources (Uses) for budgetary funds on budgetary fund basis and a U.S. GAAP General Fund basis is summarized below:

	<u>General</u>	<u>Special Education Fund</u>
Revenues:		
Actual Amounts (Budgetary Basis)	\$ 32,333,884	\$ 1,546,607
Reclassification of Special Education Fund	<u>1,546,607</u>	<u>(1,546,607)</u>
Total Revenues	33,880,491	-
Expenditures:		
Actual Amounts (Budgetary Basis)	24,770,165	3,601,895
Reclassification of Special Education Fund	<u>3,601,895</u>	<u>(3,601,895)</u>
Total Expenditures	28,372,060	-
Excess of Revenues Over (Under) Expenditures:		
Actual Amounts (Budgetary Basis)	7,563,719	(2,055,288)
Reclassification of Special Education Fund	<u>(2,055,288)</u>	<u>2,055,288</u>
Excess of Revenues Over (Under) Expenditures	5,508,431	-
Other Financing Sources (Uses):		
Actual Amounts (Budgetary Basis)	(2,246,377)	2,055,288
Reclassification of Special Education Fund	<u>2,055,288</u>	<u>(2,055,288)</u>
Total Other Financing Sources (Uses)	<u>(191,089)</u>	<u>-</u>
Net Change In Fund Balance:		
Actual Amounts (Budgetary Basis)	5,317,342	-
Reclassification of Special Education Fund	<u>-</u>	<u>-</u>
Net Change in Fund Balance	5,317,342	-
Fund Balance - Beginning of Year:		
Actual Amounts (Budgetary Basis)	4,903,835	-
Reclassification of Special Education Fund	<u>-</u>	<u>-</u>
Fund Balance - July 1	4,903,835	-
Fund Balance - End of Year:		
Actual Amounts (Budgetary Basis)	10,221,177	-
Reclassification of Special Education Fund	<u>-</u>	<u>-</u>
Fund Balance - June 30	<u>\$ 10,221,177</u>	<u>\$ -</u>

**SUPPLEMENTARY INFORMATION**

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2024**

	<u>Special Revenue</u>		<u>Nonreferendum Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Donations</u>	<u>Food Service</u>		
<b>ASSETS</b>				
Cash and Investments	\$ 601,408	\$ 585,578	\$ 193,947	\$ 1,380,933
Receivables:				
Accounts	5,796	-	-	5,796
Due from Other Governments	-	27,718	-	27,718
Prepaid Items	6,535	-	-	6,535
	<u>613,739</u>	<u>613,296</u>	<u>193,947</u>	<u>1,420,982</u>
Total Assets	<u>\$ 613,739</u>	<u>\$ 613,296</u>	<u>\$ 193,947</u>	<u>\$ 1,420,982</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 1,799	\$ 28,245	\$ -	\$ 30,044
Unearned Revenues	-	11,814	-	11,814
Total Liabilities	<u>1,799</u>	<u>40,059</u>	<u>-</u>	<u>41,858</u>
<b>FUND BALANCES</b>				
Nonspendable	6,535	-	-	6,535
Restricted	-	573,237	193,947	767,184
Committed	605,405	-	-	605,405
Total Fund Balances	<u>611,940</u>	<u>573,237</u>	<u>193,947</u>	<u>1,379,124</u>
Total Liabilities and Fund Balances	<u>\$ 613,739</u>	<u>\$ 613,296</u>	<u>\$ 193,947</u>	<u>\$ 1,420,982</u>

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2024**

	Special Revenue			Nonreferendum Debt Service Fund	Total Nonmajor Governmental Funds
	Donations	Food Service	Capital Expansion		
<b>REVENUES</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ 598,450	\$ 598,450
Other Local Sources	446,252	339,791	-	-	786,043
State Sources	-	5,585	-	-	5,585
Federal Sources	-	245,258	-	-	245,258
Other Sources	7,925	-	-	-	7,925
Total Revenues	<u>454,177</u>	<u>590,634</u>	<u>-</u>	<u>598,450</u>	<u>1,643,261</u>
<b>EXPENDITURES</b>					
Instruction:					
Regular Instruction	192,681	-	-	-	192,681
Other Instruction	155,766	-	-	-	155,766
Total Instruction	<u>348,447</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>348,447</u>
Support Services:					
Pupil Services	40,000	-	-	-	40,000
Instructional Staff Services	18,526	-	-	-	18,526
Business Services of Plant	-	442	-	-	442
Pupil Transportation Services	15,000	13,783	-	-	28,783
Food Services	753	-	-	-	753
Central Services	-	602,658	-	-	602,658
Central Services	25,000	-	-	-	25,000
Total Support Services	<u>99,279</u>	<u>616,883</u>	<u>-</u>	<u>-</u>	<u>716,162</u>
Debt Service:					
Principal	-	-	-	565,000	565,000
Interest and Fiscal Charges	-	-	-	36,274	36,274
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>601,274</u>	<u>601,274</u>
Nonprogram:					
Post Secondary Scholarships	69,570	-	-	-	69,570
Adjustments and Refunds	-	394	-	-	394
Total Nonprogram	<u>69,570</u>	<u>394</u>	<u>-</u>	<u>-</u>	<u>69,964</u>
Total Expenditures	<u>517,296</u>	<u>617,277</u>	<u>-</u>	<u>601,274</u>	<u>1,735,847</u>
<b>NET CHANGE IN FUND BALANCES</b>	(63,119)	(26,643)	-	(2,824)	(92,586)
Fund Balances - Beginning, as Originally Reported	675,059	599,880	1,066,862	196,771	2,538,572
Change Within Financial Reporting Entity Nonmajor to Major Fund	<u>-</u>	<u>-</u>	<u>(1,066,862)</u>	<u>-</u>	<u>(1,066,862)</u>
Fund Balances - Beginning, as Adjusted	<u>675,059</u>	<u>599,880</u>	<u>-</u>	<u>196,771</u>	<u>1,471,710</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 611,940</u>	<u>\$ 573,237</u>	<u>\$ -</u>	<u>\$ 193,947</u>	<u>\$ 1,379,124</u>

**ADDITIONAL INDEPENDENT AUDITORS' REPORT  
FOR BASIC FINANCIAL STATEMENTS**



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

Board of Education  
Shorewood School District  
Shorewood, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Shorewood School District, Shorewood, Wisconsin (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 18, 2024.

***Report on Internal Control Over Financial Reporting***

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

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

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

**Report on Compliance and Other Matters**

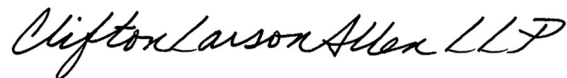
As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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*.

**Shorewood School District’s Response to Finding**

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

**Purpose of This Report**

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



**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
November 18, 2024

## FEDERAL AND STATE AWARDS



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

Board of Education  
Shorewood School District  
Shorewood, Wisconsin

**Report on Compliance for Each Major Federal and Major State Program**

***Opinion on Each Major Federal and Major State Program***

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

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

***Basis for Opinion on Each Major Federal and Major State Program***

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

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

### ***Responsibilities of Management for Compliance***

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

### ***Auditors' Responsibilities for the Audit of Compliance***

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

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

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

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


### **Report on Internal Control Over Compliance**

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

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

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

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



**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
November 18, 2024

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2024**

Grantor Agency/Federal Program Title	Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Unearned Revenue 7/1/23	Cash Received (Refunded)	Accrued (Unearned) Revenue 6/30/24	Total Expenditures	Subrecipient Payments
<b>U.S. DEPARTMENT OF AGRICULTURE</b>								
Child Nutrition Cluster:								
School Breakfast Program	10.553	WI DPI	2024-405355-DPI-SB-546	\$ -	\$ 12,941	\$ 2,651	\$ 15,592	\$ -
School Breakfast Program	10.553	WI DPI	2024-405355-DPI-SB-SEVERE-546	-	58	4	62	-
School Breakfast Program	10.553	WI DPI	2023-405355-DPI-SB-546	(240)	240	-	-	-
School Breakfast Program	10.553	WI DPI	2023-405355-DPI-SB-SEVERE-546	(1)	1	-	-	-
Total School Breakfast Program				(241)	13,240	2,655	15,654	-
National School Lunch Program	10.555	WI DPI	2023-405355-DPI-NSL-547	(5,399)	5,399	-	-	-
National School Lunch Program	10.555	WI DPI	2024-405355-DPI-NSL-547	-	144,025	25,063	169,088	-
Donated Commodities 22-23	10.555	WI DPI	N/A	-	60,516	-	60,516	-
Total National School Lunch Program				(5,399)	209,940	25,063	229,604	-
Total U.S. Department of Agriculture				(5,640)	223,180	27,718	245,258	-
<b>U.S. DEPARTMENT OF EDUCATION</b>								
Title I Grants to Local Educational Agencies	84.010A	WI DPI	2023-405355-DPI-TI-A-141	(21,854)	21,854	-	-	-
Title I Grants to Local Educational Agencies	84.010A	WI DPI	2024-405355-DPI-TI-A-141	-	117,084	68,260	185,344	-
Total Title I Grants to Local Educational Agencies				(21,854)	138,938	68,260	185,344	-
Special Education Cluster (IDEA):								
Special Education Grants to States	84.027A	WI DPI	2023-405355-DPI-FLOW-341	(96,100)	96,100	-	-	-
Special Education Grants to States	84.027A	WI DPI	2024-405355-DPI-FLOW-341	-	324,134	99,750	423,884	-
Total Special Education Grants to States				(96,100)	420,234	99,750	423,884	-
Special Education - Preschool Grants:	84.173A	WI DPI	2023-405355-DPI-PRESCH-347	(1,976)	1,976	-	-	-
Special Education - Preschool Grants:	84.173A	WI DPI	2024-405355-DPI-PRESCH-347	-	2,565	10,185	12,750	-
Total Special Education - Preschool Grant				(1,976)	4,541	10,185	12,750	-
Total Special Education Cluster (IDEA)				(98,076)	424,775	109,935	436,634	-

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**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

Grantor Agency/Federal Program Title	Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Unearned Revenue 7/1/23	Cash Received (Refunded)	Accrued (Unearned) Revenue 6/30/24	Total Expenditures	Subrecipient Payments
<b>U.S. DEPARTMENT OF EDUCATION (CONTINUED)</b>								
English Language Acquisition State Grants	84.365A	WI DPI	2023-405355-DPI-TIIIA-391	\$ (3,926)	\$ 3,926	\$ -	\$ -	\$ -
English Language Acquisition State Grants	84.365	WI DPI	2024-405355-DPI-TIIIA-391	-	9,801	4,793	14,594	-
Total English Language Acquisition State Grants				<u>(3,926)</u>	<u>13,727</u>	<u>4,793</u>	<u>14,594</u>	<u>-</u>
Improving Teacher Quality State Grants	84.367A	WI DPI	2023-405355-DPI-TIIA-365	(16,386)	16,386	-	-	-
Improving Teacher Quality State Grants	84.367A	WI DPI	2024-405355-DPI-TIIA-365	-	15,938	13,923	29,861	-
Total Improving Teacher Quality State Grants				<u>(16,386)</u>	<u>32,324</u>	<u>13,923</u>	<u>29,861</u>	<u>-</u>
Student Support and Academic Enrichment Program	84.424A	WI DPI	2023-405355-DPI-TIVA-381	(11,699)	11,699	-	-	-
Student Support and Academic Enrichment Program	84.424A	WI DPI	2024-405355-DPI-TIVA-381	-	10,731	-	10,731	-
Total Student Support and Academic Enrichment Program				<u>(11,699)</u>	<u>22,430</u>	<u>-</u>	<u>10,731</u>	<u>-</u>
COVID-19 Elementary and Secondary School Emergency Relief III	84.425D	WI DPI	2022-405355-DPI-ESSERFIII-165	(381,862)	853,550	262,305	733,993	-
Total U.S. Department of Education				<u>(533,803)</u>	<u>1,485,744</u>	<u>459,216</u>	<u>1,411,157</u>	<u>-</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>								
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	CESA 1	NU90TP922132	-	20,631	-	20,631	-
Medicaid Cluster: Medical Assistance Program	93.778	WI DHS	44234700	-	122,422	-	122,422	-
Total U.S. Department of Health and Human Services				<u>-</u>	<u>143,053</u>	<u>-</u>	<u>143,053</u>	<u>-</u>
Total Federal Programs				<u>\$ (539,443)</u>	<u>\$ 1,851,977</u>	<u>\$ 486,934</u>	<u>\$ 1,799,468</u>	<u>\$ -</u>

**RECONCILIATION TO THE BASIC FINANCIAL STATEMENTS**

Federal Sources	\$ 1,778,837
Intermediate Sources	\$ 20,631
Federal Revenues Not Included Above	-
Total Expenditures of Federal Awards	<u>\$ 1,799,468</u>

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
YEAR ENDED JUNE 30, 2024**

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number	(Accrued) Unearned Revenue 7/1/23	Cash Received (Refunded)	Accrued (Unearned) Revenue 6/30/24	Total Expenditures	Subrecipient Payments
<b>WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION</b>								
Special Education and School Age Parents	255.101	Direct Program	405355-100	\$ -	\$ 1,108,786	\$ -	\$ 1,108,786	\$ -
Special Education and School Age Parents	255.101	CESA No. 1	N/A	-	-	8,330	8,330	-
State School Lunch Aid	255.102	Direct Program	405355-107	-	4,909	-	4,909	-
Common School Fund Library Aid	255.103	Direct Program	405355-104	-	108,004	-	108,004	-
Equalization Aids	255.201	Direct Program	405355-116	-	5,489,615	-	5,489,615	-
Integration Transfer - Non Resident	255.204	Direct Program	405355-106	-	182,062	-	182,062	-
High Cost Special Education Aid	255.210	Direct Program	405355-119	-	2,748	-	2,748	-
School Based Mental Health Services	255.297	Direct Program	405355-177	-	56,169	(171)	55,998	-
Peer Review and Mentoring	255.301	Direct Program	405355-141	-	11,458	-	11,458	-
State School Breakfast Aid	255.344	Direct Program	405355-117	-	676	-	676	-
Early College Credit Program	255.445	Direct Program	405355-178	-	5,774	-	5,774	-
Educator Effective Evaluation System	255.940	Direct Program	405355-154	-	-	13,040	13,040	-
Per Pupil Aid	255.945	Direct Program	405355-113	-	1,262,884	-	1,262,884	-
Assessments of Reading Readiness	255.956	Direct Program	405355-166	-	3,877	-	3,877	-
Aid for Special Ed Transition Grant BBL	255.960	Direct Program	405355-168	-	13,480	-	13,480	-
Total State Programs				<u>\$ -</u>	<u>\$ 8,250,442</u>	<u>\$ 21,199</u>	<u>\$ 8,271,641</u>	<u>\$ -</u>

88

**RECONCILIATION TO THE BASIC FINANCIAL STATEMENTS**

State Sources	\$ 8,286,346
Intermediate Sources	8,330
Less: State Sources not Considered State Financial Assistance	
State Tax-Exempt Aids	(23,035)
Total Expenditures of State Awards	<u>\$ 8,271,641</u>

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
JUNE 30, 2024**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal and state awards for the Shorewood School District are presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

The schedules of expenditures of federal and state awards include all federal and state awards of the District. Because the schedules present only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

**NOTE 2 SIGNIFICANT ACCOUNTING POLICIES**

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the District's 2024 fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and *State Single Audit Guidelines*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the District in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded District expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances.

The District has not elected to charge a de minimis rate of 10% of modified total costs.

**NOTE 3 FOOD DISTRIBUTION**

Nonmonetary assistance is reported in the schedule of expenditures of federal awards at the fair market value of the commodities received and disbursed.

**NOTE 4 OVERSIGHT AGENCIES**

The federal and state oversight agencies for the District are as follows:

Federal – U.S. Department of Education  
State – Wisconsin Department of Public Instruction

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
JUNE 30, 2024**

**NOTE 5 PASS-THROUGH ENTITIES**

Federal awards have been passed through the following entities:

WI DHS – Wisconsin Department of Health Services

WI DPI – Wisconsin Department of Public Instruction

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2024**

**Section I – Summary of the Auditors' Results**

**Basic Financial Statements**

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes          x     no
  - Significant deficiency(ies) identified?     x     yes      \_\_\_\_\_ none reported
3. Noncompliance material to basic financial statements noted? \_\_\_\_\_ yes          x     no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes          x     no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes          x     none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes          x     no

**Identification of Major Federal Programs**

**Assistance Listing Numbers**

84.425D

**Name of Federal Program or Cluster**

COVID-19 Elementary and Secondary School Emergency Relief

Dollar threshold used to distinguish between Type A and Type B programs:

\$     750,000    

Auditee qualified as low-risk auditee?

    x     yes      \_\_\_\_\_ no

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

***Section I – Summary of the Auditors' Results (Continued)***

**State Awards**

1. Internal control over major state programs:

- Material weakness(es) identified?                    \_\_\_\_\_ yes                          x       no
- Significant deficiency(ies) identified?                    \_\_\_\_\_ yes                          x       none reported

2. Type of auditors' report issued on compliance for major state programs                    Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with the *State Single Audit Guidelines*?                    \_\_\_\_\_ yes                          x       no

***Identification of Major State Programs:***

State ID Number	Name of State Program
255.101	Special Education and School Age Parents General Aids Cluster
255.201	Equalization Aids
255.204	Integration Transfer Non Resident
255.945	Per Pupil Aid

Dollar threshold used to distinguish between Type A and Type B programs:                    \$       248,149      

Auditee qualified as low-risk auditee?                          x       yes                    \_\_\_\_\_ no

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

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***Section II – Financial Statement Findings***

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**2024-001 Preparation of Annual Financial Report**

**Type of Finding**

- Significant deficiency in internal control over financial reporting

**Condition:** Current District staff maintains accounting records which reflect the District's financial transactions; however, preparing the District's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. The District contracts with us and our knowledge of applicable accounting principles, financial statement format, and note disclosures to assist in the preparation of the annual financial report in an efficient manner. However, as independent auditors, CLA cannot be considered part of the District's internal control system. As part of its internal control over preparation of its financial statements, including disclosures, the District had implemented a comprehensive review procedure to ensure that the financial statements, including note disclosures, are complete and accurate.

**Criteria or Specific Requirement:** The preparation and review of the annual financial report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes or other required state financial reports.

**Effect:** The District may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.

**Cause:** District management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.

**Repeat Finding:** Repeat of finding 2023-001

**Recommendation:** We recommend the District continue reviewing the annual financial report. Such review procedures should be performed by an individual possessing a thorough understanding of accounting principles generally accepted in the United States of America and knowledge of the District's operations and activities. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the District is necessary to obtain a complete and adequate understanding of the District's annual financial report.

**Views of Responsible Officials and Planned Corrective Action:** Management agrees with the finding. Management believes that the cost of hiring staff to prepare year-end adjusting and closing entries and to prepare financial reports outweighs the benefits to be received. Management will have the appropriate staff review the adjusting, closing and GASB 34 conversion entries along with the prepared financial reports, as recommended, to obtain an adequate understanding of the District's financial report.

**SHOREWOOD SCHOOL DISTRICT  
SHOREWOOD, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

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***Section III – Findings and Questioned Costs – Major Federal and State Programs***

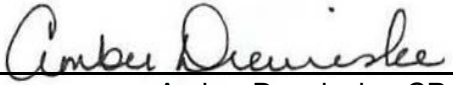
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Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a) or the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

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***Section IV – Other Issues***

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1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? No
  
2. Does the audit report show audit issues (i.e., material noncompliance, nonmaterial noncompliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue, or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:
  - a. Department of Health Services No
  - b. Department of Public Instruction No
  
3. Was a management letter or other document conveying audit comments issued as a result of this audit? No
  
4. Name and signature of partner   
Amber Drewieske, CPA
  
5. Date of report November 18, 2024



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**EXECUTIVE SUMMARY  
FOR THE SHOREWOOD SCHOOL BOARD**

**Topic:** Open Enrollment Recommendation  
**Date:** January 28, 2025  
**Prepared by:** Heather Heaviland

- Information only
- Presentation/discussion
- Discussion/action by board of education
- Presentation/action next meeting

**Purpose:** To approve the District’s open enrollment recommendation for the 2025-2026 school year. Specifically:

- 1) The opening of 14 new open enrollment seats in the following grade levels:
  - K4 0
  - K5 9
  - 1st 0
  - 2nd 3
  - 3rd 0
  - 4th 0
  - 5th 0
  - 6th 0
  - 7th 0
  - 8th 0
  - 9th 2
  - 10th 0
  - 11th 0
  - 12th 0
- 2) The opening of 0 seats across all special education programs;
- 3) A continuation of enrollment for the 220 open enrollment students in grades K4-11th grade (in 2024–2025) who were enrolled on or before September 20th, 2024; and
- 4) Granting of preference to the siblings of current students for seats that are made available as ‘new open enrollment seats.’

**Background:** Per policy 5113 and state statute, in January, the “District will provide a recommendation to the Board about the availability of space by determining the number of regular education and special education spaces in the schools, programs, classes, or grades.”

Criteria for Determining Available Spaces - Regular Education

In determining the number of spaces available, the District utilized the following data:

- 1) Projected 2025-2026 Total Enrollment:
  - Projected Resident enrollment by grade level, which is set using the weighted survival ratio of the last five years of enrollment
  - +
  - Students who were open enrolled as of September 20, 2024
  
- 2) Projected capacity per grade level based on class size and staffing

The District determined the number of available new open enrollment seats by subtracting the projected resident enrollment and the number of open enrolled students from the total capacity calculation.

Criteria for Determining Available Spaces - Special Education

The District calculated available spaces in special education following the criteria outlined in policy 5113.

The School Board approved 0 special education seats across all special education programs and services for grades PK to 12. Due to the District’s staff-to-student ratio and reservation of seats for projected pupil enrollment and changes to IEP services, there are no seats available in any special education services at any grade level.

Students with Disabilities Spaces by Program

Cross Categorical	0
Occupational Therapy (OT)	0
Speech and Language (SL)	0

**Fiscal impact:** The District anticipates no new staffing to accommodate the new open enrollment students. Therefore, the majority of the \$8,962 in estimated per student revenue will add to the District’s overall net revenue. The District has historically relied on the open enrollment program for approximately \$2M in revenue per year.

January 28, 2025

*Recap of Workshop Jan. 14*

Here is a link to the slides we walked through: [Board Workshop 011425](#)

Notes on our discussion:

- Regarding the overarching R-4 policy statement:

***Students will develop skills and maintain habits that contribute to personal wellness.***

We did not see any major gaps here - no edits needed.

- Regarding sub-topics:

No strong consensus on “Sense of belonging” - it is reflected in other policies, but could it/should it appear in more than one place?

- Discussion:

- Most of the past indicators have been more operations-oriented than about results (e.g. offering specific courses) and relied heavily on students’ survey responses.
- How can we re-orient to be strictly results-focused (can we move or create operations-oriented indicators to OEs?)
- Nutrition? Sleep?
- Could we measure growth in depth of understanding? We can’t control this...but could we measure that they understand that it matters?
- Holding the Superintendent accountable for students’ habits around sleep, nutrition is hard to rationalize ... so many other factors impact health habits that have nothing to do with the school day, including things out of students’ control, like availability of nutritious food and a safe, comfortable, reliable place to sleep.

**Helpful references for potential indicators and framing our policy:**

1. Redefining Ready framework - [“Life Ready” definition](#)
2. CASEL framework for Social-Emotional Learning:  
<https://casel.org/casel-sel-framework-11-2020/>
3. Social, Academic and Emotional Behavior Risk Screener (SAEBRS) Domains:  
<https://www.illuminateed.com/products/fastbridge/social-emotional-behavior-assessment/SAEBRS/>
4. Youth Risk Behavior Surveillance System (YRBSS)

***Policy Type: Result***

Students will develop skills and maintain habits that contribute to personal wellness.

*Suggested Policy for markup and discussion:*

*4.1 Students will demonstrate growth in understanding how both their circumstances and choices impact their own health and well-being.*

*Indicators might include:*

- *YRBS Self-reported risky behavior*
- *Student survey results around healthy choices*
- *Exit tickets/snapshot surveys outside of annual surveys*

*4.2 Students will demonstrate growth in their own competency to manage their mental and physical health.*

*Indicators might include:*

- *Student surveys at the conclusion of health/wellness activities and classes,*
- *Student responses on annual survey*

*4.3 Students will continuously deepen their recognition of their own emotions and will build their ability to regulate their responses.*

*Indicators might include:*

- *Student responses on annual survey*
- *Teacher surveys*
- *Snapshot surveys/exit tickets offered by SEL instructors and school counseling staff*
- *SAEBRS survey results*
- *YRBS survey results*

*4.4 Students will demonstrate understanding of the characteristics of healthy relationships. They will demonstrate growth in social-emotional skills that support their own wellness and the health of the community.*

*Indicators might include:*

- *Sense of belonging*
- *YRBS Survey responses*
- *School Perceptions survey answers around school culture*

Jan 14 2025



# Board Workshop



## For Discussion Today, Decision Next Meeting

- 1. Agree on R-4 edits to be adopted near-term:
  - a. Overarching policy statement**
  - b. Key subtopics to include/exclude/move****
- 2. Understand and agree how YRBS, SAEBRS and School Perceptions survey data will be used in the monitoring report and drive timing.**
- 3. Move some indicators into a new policy on extracurriculars?**
- 4. Identify areas where we would like administration to offer new/different indicators**

# Context Reminders



# This is a Results Policy

4



**Results policies indicate our vision, our goal, our destination**

The board monitors whether the district is “making reasonable progress” as opposed to compliant/non-compliant as we do with operating expectations

# Results policies

1.

## Overarching result:

Our students are leaders who challenge themselves to grow and achieve academically, pursue their passions, navigate change, learn continuously and contribute to the common good.

2.

## Academic Achievement and Growth:

Through high expectations, culturally responsive teaching, relevant, rigorous, engaging, and innovative learning experiences delivered in and out of the classroom, students will:

- \*Make reasonable progress each year toward being literate and numerate across academic disciplines.
- \*Gain the necessary skills to be prepared for college, career, and life readiness.
- \* Be able to demonstrate content knowledge and apply skills and competencies through assessments and other learning opportunities.

3.

## Character and Citizenship

Students will be people of strong character with a commitment to contribute to the common good.

Students will:

- 3.1 Feel welcomed, valued, and supported.
- 3.2 Contribute to a better world through collaboration and engagement with real-world issues.
- 3.3 Have a growth mindset, be adaptable to change, and internally motivated.

4.

## Wellness

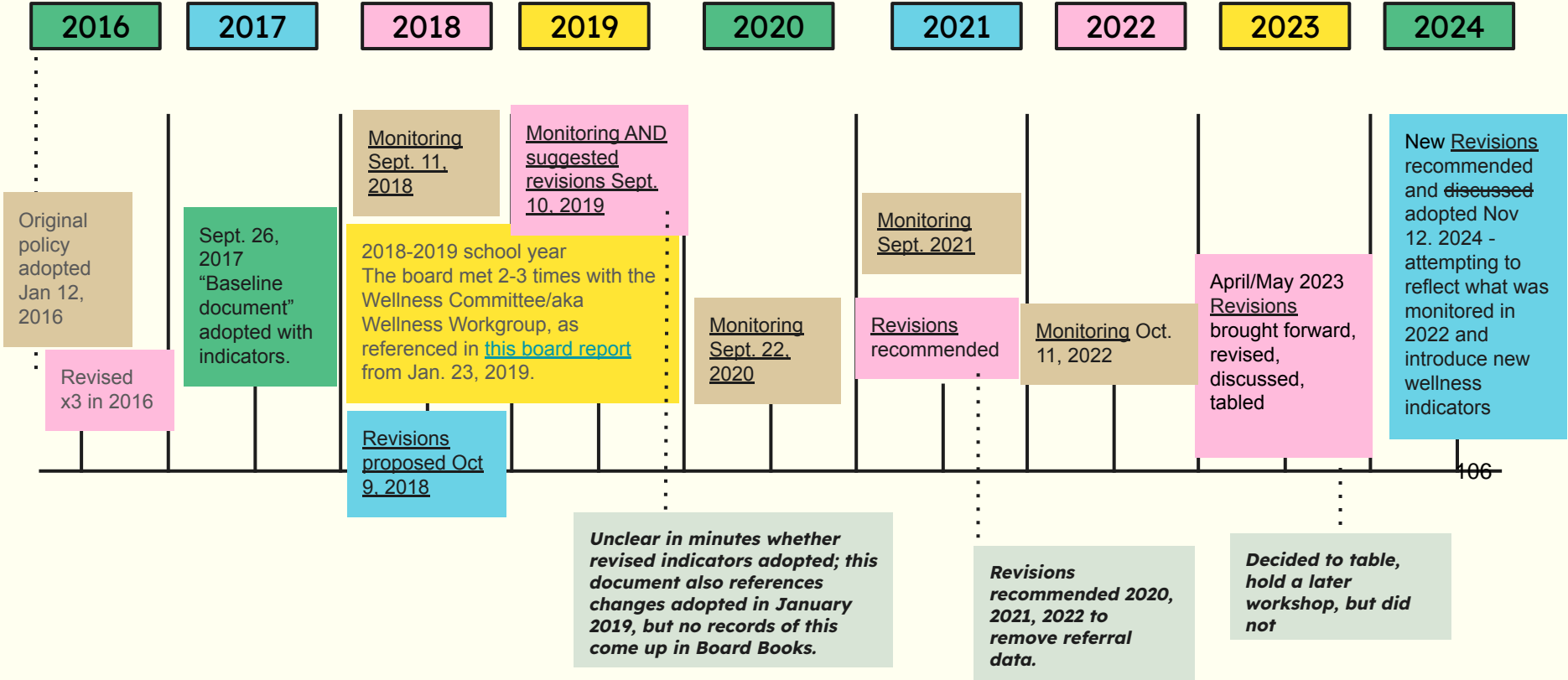
Students will develop and maintain habits that contribute to personal wellness.

Students will:

- 4.1 Feel a sense of belonging and connection in their school community.
- 4.2 Maintain a healthy body.
- 4.3 Understand their emotions and cope effectively with stress.

*(As adopted Jan. 22, 2019)*

# R-4 Wellness Policy History



# Policy Editing

## Current posted

Students will develop and maintain habits that contribute to personal wellness.

Students will:

4.1 Feel a sense of belonging and connection in their school community.

4.2 Maintain a healthy body.

4.3 Understand their emotions and cope effectively with stress.

## As recommended adopted Nov. 12, 2024

Students will develop skills and maintain habits that contribute to personal wellness. Students will:

4.1 Appropriately express and manage emotions

4.2 Identify and manage stress, including maintaining reasonable balance between and among competing demands.

4.3 ~~Understand and avoid risky behaviors~~

Social Competence: Establish and maintain positive relationships by respecting others, practicing social skills, and making responsible choices while recognizing and connecting to the community at large

4.4 ~~Practice behaviors that encourage physical health~~

Self-Concept: Develop positive self-identity and recognize self as a lifelong learner

4.5 Understand the value of good nutritional habits

# Overarching statement

**Current posted:** Students will develop and maintain habits that contribute to personal wellness.

**Proposed most recently (2023):** Students will develop **skills** and maintain habits that contribute to personal wellness.

# Key subtopics

## Sources of indicators

Understanding, regulating and expressing emotions.	Recognizing and managing stress.	Identify and avoid risky behaviors	Maintain/foster physical health	Understand/follow good nutritional habits	Feel a sense of belonging and connections	<b>YRBS</b> Biannual
						<b>School Perceptions</b> Annual
						<b>Social and Academic<sup>109</sup> Emotional Behavior Risk Screener (SAEBRS)</b> 3x year

# Potential Structure for new policy

## Athletics

School-sponsored athletic teams

Engagement with the Shorewood community and visitors/hosts

Monitoring student outcomes and satisfaction:

- Scholarships
- College athletic recruitment
- Student growth

Resource allocation

Facilities maintenance/ use/ prioritization

## Clubs and in-school activities

Non-athletic teams, clubs planning and participating in performances, competitions and affinity/hobby groups

Tracking participation

Tracking student outcomes and satisfaction

Engagement with Shorewood community and visitors/hosts

## Coaching and advising

Expectations for adults supporting extracurricular activities

Training

Understanding/ following Collective Commitment to Equity

Engagement with families and caregivers



SCHOOL DISTRICT OF SHOREWOOD  
Board Meeting Minutes  
Shorewood High School Library Media Center  
January 14, 2024

Board Member Participation: Emily Berry, President  
Becky Freer, Vice President  
Nathan Hammons, Treasurer & Board Governance Officer  
Abby Fowler, Clerk  
Ellen Eckman, Member at Large  
  
Tristan Papara, Student Representative

District Administrator Participation: Laurie Burgos, Superintendent  
Johanna French, Interim Principal, Lake Bluff Elementary  
Heather Heaviland, Director of Business Services  
Mike Joynt, Director of Teaching and Learning

I. 7:00 pm CALL TO ORDER  
Motion to Adopt the Agenda

MOVED by Becky Freer and SECONDED by Ellen Eckman AYE: 5 NAY: 0

II. 7:05 pm STUDENT ACHIEVEMENT AND RESULTS  
Lake Bluff Elementary Poetry Project

III. 7:12 pm PUBLIC COMMENT #1 - no comments

IV. 7:14 pm BOARD BUSINESS AND POSSIBLE BOARD ACTION

A. Acceptance of Shorewood Foundation Contributions, presented by Jamie Reeve and Melissa Marschka

MOVED by Becky Freer and SECONDED by Abby Fowler AYE: 5 NAY: 0

B. Approval of the 2025-2026 Instructional Calendar

MOVED by Nathan Hammons and SECONDED by Ellen Eckman AYE: 5 NAY: 0

C. Approval of OE 1 (Global Operating Expectations) Monitoring Document

MOVED by Nathan Hammons and SECONDED by Ellen Eckman

Proposal to Table Board Discussion and Action

MOVED Ellen Eckman and SECONDED by Nathan Hammons AYE: 5 NAY: 0

D. Review of Open Enrollment

E. Discussion of WASB 2025 Delegate Assembly Draft Resolutions

V. 8:47 pm BOARD CONSENT AGENDA

A. Approval of Board Meeting Minutes 111

December 10, 2024 Regular Board Minutes

B. Approval of SIS Music Department Trip to St. Louis, MO (May, 2025)

MOVED by Becky Freer and SECONDED by Ellen Eckman

AYE: 5 NAY: 0

VI. 8:48 pm SUPERINTENDENT'S REPORT

VII. 8:53 pm SUPERINTENDENT'S CONSENT AGENDA

A. Approval of District Staffing Changes: Appointments, Resignations, Retirements and Leave of Absence Requests: M. Browne Appointment

MOVED by Ellen Eckman and SECONDED by Nathan Hammons

AYE: 5 NAY: 0

VIII. 8:54 pm PUBLIC COMMENT #2 - no comments

IX. 8:55 pm BOARD MEMBER REPORTS

2025 Spring Election Update

X. 8:57 pm REVIEW OF TO DO AND FUTURE AGENDA ITEMS

OE 1 Report Revisions and Policy Indicator Changes

Open Enrollment Recommendation

Auditor's Report

R4 Student Results (Wellness) Policy Indicators Workshop Discussion

XI. 8:59 PM RECESS AND DEBRIEF



SCHOOL DISTRICT OF SHOREWOOD  
Board Meeting Minutes  
Shorewood High School Library Media Center  
January 14, 2024

Board Member Participation:           Emily Berry, President  
                                                  Becky Freer, Vice President  
                                                  Nathan Hammons, Treasurer & Board Governance Officer  
                                                  Abby Fowler, Clerk  
                                                  Ellen Eckman, Member at Large

District Administrator Participation: Laurie Burgos, Superintendent

On Tuesday, January 14, 2025 at 5:30 pm, the Shorewood School Board met in Closed Session.

Call to Order in Open Session

Motion to meet in Closed Session to consider employment, promotion, compensation or performance evaluation data, pursuant to Wis. Stats. 19.85 (1)(c), and to review two administrator contracts, pursuant to Wis. Stats. 19.85 (1)(f).

Meeting Adjourned without Objection at 6 pm.



**Shorewood**  
SCHOOL DISTRICT

**Operational Expectations Monitoring Document  
OE-1 Global Operational Expectation**

**Certification of the Superintendent: *With respect to Operational Expectation 1 (Global Operational Expectation), taken as a whole, the superintendent certifies that the proceeding information is accurate and complete, and is:***

- In Compliance
- In Compliance with Noted Exceptions
- Not in Compliance

**Signed:** Laurie Burgos, Superintendent

**Date:** January 14, 2025

**Revised January 28, 2025**

**Executive Summary**

Operational Expectation 1 (OE 1) Global Operational Expectation has been monitored and reviewed to ensure that the District is in compliance with state law, Board expectations and District policy.

**Summary of Compliance**

This Operational Expectations Monitoring Document is defined by the following Board Policy and Expectations:

**The Superintendent shall not cause, allow, or fail to take reasonable measures to prevent any practice, activity, decision or organizational condition that is unlawful, unethical, unsafe, disrespectful, imprudent, in violation of Board policy or endangers the District’s public image or credibility.**

- **1.1** - The Board, upon evaluation of the OE policies, finds no significant violation of or not in compliance with any of the policies;
- **1.2** - The District is not found to be in violation of any law when any legal action is taken against the District; and
- **1.3** - In a random survey sample of District stakeholders, at least 70% of the respondents express support for the direction of the District.

For this reporting period, the District is in full compliance with two of the three measures: 1.1 and 1.2. Board and District policies are in place and followed. No legal action was taken against the District during the 2023-24 school year.

**Recommendations for OE 1**

As we continue to work together to ensure that compliance indicators in each Monitoring Document accurately reflect Board Policy, the District presents the following recommendations for modifications to the OE 1 report:

- Limiting all evidence to the report year only to determine compliance, consistent with other OE Monitoring Document changes; and

- Eliminating indicator 1.3, which addresses community support for the District. This is not a measure of compliance with OE 1 Policy. Questions similar to the School Perceptions Survey question in 1.3 are also included in OE 7 (Communicating with Village Residents and Public Audiences).

**Areas for Continuous Improvement**

While the District recommends limiting the OE 1 Report to Policy compliance, we recognize it is critical to invite and understand community perceptions of the District, and to address any areas of concern. Changes made to other OE reports that transition away from single-question satisfaction measures to a more holistic framework that monitors satisfaction through multiple measures will support this.

In addition to increasing and leveraging feedback received through focus groups, community engagement events and other communications tools, we note the following opportunities for continuous improvement specifically related to OE 1:

- Prioritize consistency in the management of human resources functions, budgets and financial resources and school administration to ensure transparency, the timely delivery of important information and equity for all students and staff;
- Continue the implementation of both annual and long-term strategic initiatives that address best practices and legal and policy compliance across schools and administrative departments; and
- Continue to provide the community with regular updates, including messaging about the District vision, priorities, progress, challenges, and changes. There will be many opportunities for this with the launching of a new Strategic Plan in 2025.

**Disposition of the Board: *With respect to Operational Expectation 1 (Global Operational Expectation), the Board:***

- Accepts the report as fully compliant**
- Accepts the report as compliant with noted exceptions**
- Finds the report to be noncompliant**

**Summary statement/motion of the Board:**

**Signed:** Emily Berry, Board President      **Date:** January 28, 2025

## OE-1: Global Operational Expectations

**The Superintendent shall not cause, allow, or fail to take reasonable measures to prevent any practice, activity, decision or organizational condition that is unlawful, unethical, unsafe, disrespectful, imprudent, in violation of Board policy or endangers the District's public image or credibility.**

### Superintendent Interpretation:

- This OE holds the Superintendent accountable for following Board policy, State and Federal law along with upholding the values of Village of Shorewood. This OE is broad in its scope and generally holds the Superintendent responsible for ensuring that the District operates in a legal, safe, and ethical manner.
  - **Unlawful** shall mean in violation of federal, state, and local laws.
  - **Unethical** shall mean behavior that is improper or does not conform to accepted professional standards of conduct.
  - **Unsafe** shall mean in a manner that is likely to physically injure students, employees, or visitors to the District.
  - **Disrespectful** shall mean in a manner that is not reasonably considering the situation or feelings of the person to whom one is speaking.
  - **Imprudent** shall mean reckless or irresponsible actions.
- This OE requires the Superintendent to take "**reasonable measures**," which shall mean that the Superintendent shall take steps to follow Board policy or protect the District's public image in a manner similar to what other superintendents or leaders of organizations might take under similar circumstances.
- This OE requires the Superintendent to protect the legal position of the District as well as the ethical standing of the District. The Superintendent is charged with protecting the "**organizational condition**," which shall mean the legal standing of the District and the perception that stakeholders have of the District with regard to trust and respect.
- This OE requires the Superintendent to establish and maintain a respected and positive "**public image**," which shall mean the positive perception held by the overwhelming majority of the stakeholders in the District. Stakeholders are defined as all guardians of Shorewood students and all the people who live in the Village of Shorewood.

<b>OE-1</b> The Superintendent shall not cause, allow, or fail to take reasonable measures to prevent any practice, activity, decision or organizational condition that is unlawful, unethical, unsafe, disrespectful, imprudent, in violation of Board policy or endangers the district's public image or credibility.	<u>Superintendent</u>	<u>Board</u>
	<b>Compliant</b>	Compliant
	Compliant with Exceptions	Compliant with Exceptions
	Not Compliant	Not Compliant

Superintendent Interpretation

<b>Board Indicator 1:</b> <i>We will know we are compliant when:</i> <ul style="list-style-type: none"> <li>The Board, upon evaluation of the OE policies, finds no significant violation of or not in compliance with any of the policies.</li> </ul>	<u>Superintendent</u>	<u>Board</u>
	<b>Compliant</b>	Compliant
	Not Compliant	Not Compliant
Evidence: There were no significant violations of Board policy during the past year, and efforts were made to review and revise OE indicators to clarify expectations and outcomes measurements.		

<b>Board Indicator 2:</b> <i>We will know we are compliant when:</i> <ul style="list-style-type: none"> <li>The District is not found to be in violation of any law when any legal action is taken against the District.</li> </ul>	<u>Superintendent</u>	<u>Board</u>
	<b>Compliant</b>	Compliant
	Not Compliant	Not Compliant
Evidence: The District was not in violation of any law when any legal action was taken against the District.		

<b>Board Indicator 3:</b> <i>We will know we are compliant when:</i> <ul style="list-style-type: none"> <li>In a random survey sample of District stakeholders, at least 70% of the respondents - <i>not including those who responded Don't Know/Doesn't Apply</i> - express support for the direction of the District.</li> </ul>	<u>Superintendent</u>	<u>Board</u>
	Compliant	Compliant
	<b>Not Compliant</b>	Not Compliant
Evidence: *2024 School Perceptions Parent and Community Member Survey Results  Percentage of Parents and Community Members (n=434) who expressed support for the direction of the District (strongly agree or agree): 61.2%  Percentage of Community Members Only (n=47) who expressed support for the direction of the District (strongly agree or agree): 46.8%		

Board Comments:

**\*For Reference Only**

Historical School Perceptions Data Provided in OE 1.3

**2024 School Perceptions Parent & Community Member Survey Results (total n=513)**

The District is heading in the right direction. (n=513)			
Strongly agree (5)	66	12.9%	<div style="width: 12.9%;"></div>
Agree (4)	200	39%	<div style="width: 39%;"></div>
Disagree (2)	117	22.8%	<div style="width: 22.8%;"></div>
Strongly disagree (1)	51	9.9%	<div style="width: 9.9%;"></div>
Don't know/doesn't apply (0)	79	15.4%	<div style="width: 15.4%;"></div>
<b>AVG: 3.26 SD: 1.32</b>			

**2024 Community Members Only (defined as not having school-age children)**

The District is heading in the right direction. (n=63)			
Strongly agree (5)	7	11.1%	<div style="width: 11.1%;"></div>
Agree (4)	15	23.8%	<div style="width: 23.8%;"></div>
Disagree (2)	16	25.4%	<div style="width: 25.4%;"></div>
Strongly disagree (1)	9	14.3%	<div style="width: 14.3%;"></div>
Don't know/doesn't apply (0)	16	25.4%	<div style="width: 25.4%;"></div>
<b>AVG: 2.89 SD: 1.43</b>			

**2023 School Perceptions Parent & Community Member Survey Results (total n=698)**

The District is heading in the right direction. (n=559)			
Strongly agree (5)	76	13.6%	<div style="width: 13.6%;"></div>
Agree (4)	222	39.7%	<div style="width: 39.7%;"></div>
Disagree (2)	83	14.8%	<div style="width: 14.8%;"></div>
Strongly disagree (1)	54	9.7%	<div style="width: 9.7%;"></div>
Don't know/doesn't apply (0)	124	22.2%	<div style="width: 22.2%;"></div>
<b>AVG: 3.42 SD: 1.31</b>			

**2023 Community Members Only (defined as not having school-age children)**

<b>The District is heading in the right direction. (n=87)</b>			
Strongly agree (5)	12	13.8%	
Agree (4)	24	27.6%	
Disagree (2)	16	18.4%	
Strongly disagree (1)	10	11.5%	
Don't know/doesn't apply (0)	25	28.7%	
<b>AVG: 3.19 SD: 1.44</b>			



**Shorewood**  
SCHOOL DISTRICT

**Operational Expectations Monitoring Document**  
**OE-1 Global Operational Expectation**  
**(Revised January 28, 2025)**

**Certification of the Superintendent: *With respect to Operational Expectation 1 (Global Operational Expectation), taken as a whole, the superintendent certifies that the proceeding information is accurate and complete, and is:***

- In Compliance
- In Compliance with Noted Exceptions
- Not in Compliance

Signed: \_\_\_\_\_, Superintendent      Date: \_\_\_\_\_

**Executive Summary**

**Disposition of the Board: *With respect to Operational Expectation 1 (Global Operational Expectation), the Board:***

- Accepts the report as fully compliant
- Accepts the report as compliant with noted exceptions
- Finds the report to be noncompliant

**Summary statement/motion of the Board:**

Signed: \_\_\_\_\_, Board President      Date: \_\_\_\_\_

## OE-1: Global Operational Expectations

**The Superintendent shall not cause, allow, or fail to take reasonable measures to prevent any practice, activity, decision or organizational condition that is unlawful, unethical, unsafe, disrespectful, imprudent, in violation of Board policy or endangers the District's public image or credibility.**

Superintendent Interpretation:

- This OE holds the Superintendent accountable for following Board policy, State and Federal law along with upholding the values of Village of Shorewood. This OE is broad in its scope and generally holds the Superintendent responsible for ensuring that the District operates in a legal, safe, and ethical manner.
  - **Unlawful** shall mean in violation of federal, state, and local laws.
  - **Unethical** shall mean behavior that is improper or does not conform to accepted professional standards of conduct.
  - **Unsafe** shall mean in a manner that is likely to physically injure students, employees, or visitors to the District.
  - **Disrespectful** shall mean in a manner that is not reasonably considering the situation or feelings of the person to whom one is speaking.
  - **Imprudent** shall mean reckless or irresponsible actions.
- This OE requires the Superintendent to take "**reasonable measures**," which shall mean that the Superintendent shall take steps to follow Board policy or protect the District's public image in a manner similar to what other superintendents or leaders of organizations might take under similar circumstances.
- This OE requires the Superintendent to protect the legal position of the District as well as the ethical standing of the District. The Superintendent is charged with protecting the "**organizational condition**," which shall mean the legal standing of the District and the perception that stakeholders have of the District with regard to trust and respect.
- ~~This OE requires the Superintendent to establish and maintain a respected and positive "public image," which shall mean the positive perception held by the overwhelming majority of the stakeholders in the District. Stakeholders are defined as all guardians of Shorewood students and all the people who live in the Village of Shorewood.~~

<b>OE-1</b> The Superintendent shall not cause, allow, or fail to take reasonable measures to prevent any practice, activity, decision or organizational condition that is unlawful, unethical, unsafe, disrespectful, imprudent, in violation of Board policy or endangers the district's public image or credibility.	<u>Superintendent</u>	<u>Board</u>
	<b>Compliant</b>	Compliant
	Compliant with Exceptions	Compliant with Exceptions
	Not Compliant	Not Compliant

Superintendent Interpretation

<b>Board Indicator 1:</b> <del>We will know we are compliant when:</del>  <ul style="list-style-type: none"> <li>The Board, upon evaluation of the OE policies, finds no significant violation of or not in compliance with any of the policies.</li> </ul>	<u>Superintendent</u>	<u>Board</u>
	<b>Compliant</b>	Compliant
	Not Compliant	Not Compliant
	Evidence:	

<b>Board Indicator 2:</b> <del>We will know we are compliant when:</del>  <ul style="list-style-type: none"> <li>The District is not found to be in violation of any law when any legal action is taken against the District.</li> </ul>	<u>Superintendent</u>	<u>Board</u>
	<b>Compliant</b>	Compliant
	Not Compliant	Not Compliant
	Evidence:	

<b>Board Indicator 3:</b> <del>We will know we are compliant when:</del>  <ul style="list-style-type: none"> <li><del>In a random survey sample of District stakeholders, at least 70% of the respondents express support for the direction of the District.</del></li> </ul>	<u>Superintendent</u>	<u>Board</u>
	<del>Compliant</del>	<del>Compliant</del>
	<b>Not Compliant</b>	<del>Not Compliant</del>
	Evidence:	

Board Comments:

### TEACHER REQUEST FOR OVERNIGHT FIELD TRIP

Before submitting this form to your building principal, please review policy, guidelines and exhibits. Submit this form and supporting documentation to your School Principal for approval.

Name of District employee in charge: Evan Schmidt

Destination: Evanston (IL) - Northwestern University

Date and time of departure: Thurs, Apr 10 (time unknown)

Date and time of return: Sun, Apr 13 (time unknown)

Name of class or co-curricular activity/student group: Model United Nations

Number of Students attending the trip: ~30

Will students miss any instructional days/hours of school for this trip?     YES     NO

If yes, please explain:

Students will miss Thursday, April 10th, and Friday, April 11th, and are accountable for all work and course content they may miss while representing SHS at NUMUN 2025. Students must communicate with teachers to plan ahead and meet the requirements for each course prior to departure.

Description of the educational expectations/correlation to the classroom curriculum:

SHS students who will represent Shorewood High School at the 2025 Northwestern Model United Nations conference will be working with high school students from around the Midwest to discuss, debate, and collaborate on major world issues. SHS students will utilize their research methods, interpersonal skills, and critical thinking skills necessary to embody our assigned delegation at this year's conference and work with other delegations to pass resolutions that answer some of the most pressing questions within the realm of international relations.

Describe your discipline plan:

All students must abide by the Shorewood High School Code of Conduct, Shorewood High School Overnight Field Trip Rules/Expectations 352.1 Exhibit (2), and the SHS Model United Nations Code of Conduct, while representing Shorewood High School at NUMUN 2025. All guidelines and expectations are signed by students and parents/guardians.

If your trip overlaps with a major religious holiday, how will you accommodate your student(s) who desire to observe the holiday?

Accommodations will/can be made for students who wish to observe a major religious holiday during the trip. Students and advisors will work together to best accommodate any observance.

What is your plan for health and safety emergencies?

All students and parents/guardians have filled out and signed the Medical Overnight Health Information and Medical Authorization 352.1 Exhibit (4), a list of allergies/known medical conditions is provided by the SHS Nurse office, and caregiver emergency contact information will be on hand throughout the trip.

Number of chaperones: 2 (Evan Schmidt / unknown) - need two need more

Estimated cost per chaperone: ~\$650

Estimated cost per student before and after fundraising:

Before ~\$650 After \$ \_\_\_\_\_

Description of fundraising proposal for the trip: n/a

Arrangements/provisions made for students in need of financial assistance:

Students/Parents/Guardians are made aware of the financial assistance opportunities and arrangements are made upon inquiry/request with aid from the administration.

Is this an optional student travel experience?  YES  NO

**I have complied with all the requirements listed above.**

Signature of District employee: ERS Date: 1/9/25

**The overnight trip proposal and accompanying documentation has been reviewed and approved.**

Signature of Principal: [Signature] Date: 1/15/25

**The overnight trip proposal and accompanying documentation has been reviewed and approved.**

Signature of Superintendent: \_\_\_\_\_ Date: \_\_\_\_\_

**The overnight trip proposal and accompanying documentation has been reviewed and approved by the School Board.**

Signature of School Board President: \_\_\_\_\_ Date: \_\_\_\_\_

WASB State Convention

January 23, 2025

From: Ellen Eckman

I attended two breakout sessions of note on Thursday:

New Developments in School Law

Data Driven Compensation Decisions via Statewide Partnership

The School Law sessions highlighted all of the Wisconsin acts passed this year and then Court Cases applicable to Schools from US Supreme Court , 7<sup>th</sup> Circuit and State of WI. Most interesting of course is changes to Title IX. As we know, DOE suggests we follow 2020 Rules for Title IX as the complaint against new rule was filed after January 9, 2025.

The Data Driven Compensation Decisions via Statewide Partnership was interesting presentation. What began as a few Dane county school districts sharing their data on compensation of all employees on a data platform has grown to more districts of all sizes across Wisconsin. The presenters were:

Tad Wehner, Business Manager, Edgerton

Chris Sadler, Director HR Sun Prairie

Luke Francois, Superintendent Waterford Union

Tabatha Gundrum, Wausau School District

Mandy Turnbull, Director of Human Resources Fort Atkinson

Nathan Jaeger, Human Resources DeForest Area

The data platform is called Skyward and presenters felt it was an easy to use and valuable resource. Attendees were encourage to reach out to any of the presenters to find out more about the data platform and the value of sharing compensation data.

Also attended the General Session where WASB president spoke, new president was introduced and Tony Evers spoke. He gave a summary of his remarks from the State of State on Wednesday January 22 and announced 2025 Budget theme will be the Year of the Kid.

Stopped to say hello to WPEN group, but was unable to stay for the presentation.

1 WISCONSIN ASSOCIATION OF SCHOOL BOARDS, INC.  
2 Madison, Wisconsin  
3 December 1, 2024  
4

5 REPORT TO THE MEMBERSHIP ON PROPOSED 2025 RESOLUTIONS  
6 WASB Policy & Resolutions Committee  
7 Andrew Maertz, Reedsville School Board, Chair  
8  
9

10 **Resolution 25-01: *Blue Ribbon Commission on School Funding***  
11

12 **Amend Existing Resolution 2.061:** The WASB supports all twenty of the recommendations of the  
13 bipartisan Blue Ribbon Commission on School Funding, as published in January 2019 ~~that align with~~  
14 ~~WASB resolutions.~~ The WASB further calls upon the Legislature to provide an equal opportunity for  
15 every pupil to have a sound basic education.  
16

17 **Rationale:** The current challenges facing school districts are numerous and growing. Declining  
18 enrollment, staffing shortages, high inflation, and lagging state support threaten to upend school  
19 finance and students' education across the state of Wisconsin. In 2018 the Legislature established a  
20 bipartisan Blue Ribbon Commission on School Funding that published 20 recommendations designed  
21 to help districts in critical areas.  
22

23 Despite the bipartisan nature of their work and support from the public K-12 education community,  
24 the findings of the Commission have yet to be acted upon.  
25

26 **Approved.**  
27

28 **Resolution 25-02: *Pathway to Licensure for Paraprofessionals***

29 **Amend Existing Resolution 4.61 (a) as follows:** The WASB supports reasonable efforts to  
30 provide pathways to licensure for teaching candidates in subject or content areas where there is a  
31 shortage of licensed teachers, provided that candidates have bachelor's degrees and/or are  
32 qualified to be in a classroom as demonstrated by appropriate experience, knowledge, and skills  
33 in the subject or content area, and rigorous training in pedagogy, assessment, and classroom  
34 management. **Approved with minor amendment for clarity.**  
35

36 **Rationale:** In a time of staffing shortages in K-12 education, districts have been looking for  
37 alternative pathways to teacher licensure to provide opportunities for licensure to individuals  
38 who may struggle to overcome the barriers of entry in a traditional pathway to licensure. Last  
39 legislative session, a proposal was put forward to create a provisional license for  
40 paraprofessionals already working in a school district, to teach in that school district.  
41

1 This new pathway would give districts the ability to sponsor qualified paraprofessionals in their  
2 districts to become licensed teachers in a time of great need.

3  
4  
5 **Resolution 25-03: *Early Literacy Assessments for English Learners***

6  
7 **Create:** The WASB supports that early literacy assessments, screeners, and diagnostics required  
8 in state law be provided in an English Learner (EL) student’s home language in accordance with  
9 current best practices in assessment and instruction for bilingual program students. EL students  
10 tested in English should not be labeled “at risk” without verification that the student also fails an  
11 early literacy test in their home language.

12  
13 **Rationale:** 2023 Wisconsin Act 20 requires traditional public schools and independent charter  
14 schools to administer a universal screening assessment. A student that scores below the 25th  
15 percentile is identified as “at-risk,” meaning the student must be given certain interventions.  
16 Students who are not English proficient may be labeled “at risk” by a reading screener in English  
17 even though they may not have reading difficulties but instead may have a language barrier that  
18 the reading interventions will not address.

19 **Approved.**

20  
21 **Resolution 25-04: *Decoupling Public and Private School Funding***

22  
23 **Create:** The WASB supports separating state funding for voucher schools and independent  
24 charter schools from the school aid formula.

25  
26 **Rationale:** Future school choice expansion (under current law) could increase local property  
27 taxes to the extent school boards increase their levy to make up for the deducted aid. Taxpayers  
28 would be protected from additional property tax increases if decoupling occurs as compared to  
29 the current funding system that would use further state aid reductions and higher property taxes  
30 to fund the program.

31 **Denied**

32 Removing voucher and independent charter school funding from the school aid formula would  
33 reduce the burden on local property taxpayers, who currently are facing increases in property  
34 taxes as a result of the current funding structure for the programs.

35  
36 **Resolution 25-05: *Consistent Standards Across All Wisconsin Schools***

37  
38 **Amend Existing Resolution 2.70 (2nd paragraph):** All publicly funded schools, including  
39 private schools receiving voucher funding, must have the exact same accountability, reporting,  
40 and transparency standards/~~and~~ requirements.

1 **Rationale:** Currently there is a disparity in the accounting, reporting, and adherence to state  
2 education statutes within Wisconsin public, private, and charter school districts and local  
3 education agencies who receive state funds. There exist differences in rules for public versus  
4 private schools in application of state education reporting requirements and participation in  
5 statutory mandates. The current statutory structure lacks transparency for state taxpayers by  
6 allowing random inequities in accountability and adherence to state statutes among like groups  
7 with no rational basis.

8 **Approved.**

9  
10 **Resolution 25-06: *Early Childhood Education Funding and Public-Private Partnerships***

11  
12 **Create:** The WASB supports state funded public school 3K and full day 4K for all Wisconsin  
13 children. The WASB also supports collaboration between public schools and other public  
14 agencies and programs, private childcare providers, and Wisconsin institutions of higher  
15 learning. The WASB further supports district discretionary use of expanded Title I dollars to  
16 earlier grade levels by districts meeting the benchmarks for National School Lunch Program  
17 (NSLP) direct and categorical participation, and 3K and 4K student households meeting income  
18 eligibility for NSLP.

19  
20 **Rationale:** There exist challenges with the cost and availability of high-quality childcare and  
21 early childhood education for many families. Additionally, many areas in Wisconsin are  
22 experiencing an increase in poverty and economic disadvantage, and childcare deserts exist in  
23 many areas.

24  
25 Early interventions such as high-quality early childhood education and childcare, including early  
26 literacy and social skills development, that counteract poverty and student economic  
27 disadvantage have positive, lasting effects, and a high return on public investment, especially  
28 when applied early in a child's education.

29 **Approved.**

30  
31 **Resolution 25-07: *Staff Mental Health***

32  
33 **Create:** The WASB supports legislation to fund statewide mental health initiatives for district  
34 staff in order to help improve staff mental health and increase retention rates.

35  
36 **Rationale:** Many school staff members experience significant stress due to the unique demands  
37 of working in a school district. School staff are asked to support students' social, emotional,  
38 behavioral, physical, and academic needs in concert with the cooperation of families, the  
39 community, and an elected school board. This is due in no small part to the dedication, talents,

1 and perseverance of all school personnel. However, in some cases, school staff members find  
2 themselves feeling overwhelmed, exhausted, underappreciated, or may even be experiencing  
3 burnout.

4  
5 In a time of great staff turnover in education, increasing access to mental health services for staff  
6 could help retain teachers in the profession.

7 **Approved.**

8  
9 **Resolution 25-08: *Accountability and School Report Card Standards***

10  
11 **Create:** The WASB supports timely revision of the school accountability system to calculate  
12 school and district report card overall scores based on student achievement only. Other data may  
13 be included for informational purposes, but not used in calculating the overall score. Consistent  
14 grade bands should be used rather than school building configuration.

15  
16 **Rationale:** This resolution aims to redefine the state school accountability system to provide  
17 greater simplicity and transparency by focusing on solely student achievement in calculating  
18 school and district report card scores. This redefinition additionally aims to establish consistent  
19 scoring metrics across grade bands (such as K-5, 6-8, 9-12) rather than individual school  
20 building configurations that may differ from district to district.

21 **Denied.**

22  
23 **Resolution 25-09: *Educational Objectives***

24  
25 **Amend Existing Resolution 3.05 Educational Objectives as follows:** The WASB supports  
26 local initiatives that promote increased student academic achievement in key curricular areas  
27 including science, math, language arts, social studies, <sup>world.</sup> ~~foreign language~~, and technology with the  
28 intent of ensuring college, career, and workforce readiness, in addition to supporting the  
29 development of critical thinking and problem-solving skills. The WASB affirms local school  
30 board responsibility to establish student course offerings and credit requirements that support the  
31 education mission as stated above.

32  
33 **Rationale:** The original resolution is limited by listing a finite number of curricular areas. The  
34 goal of support for local district initiatives should be ensuring they have the resources necessary  
35 to provide course offerings that lead to college, workforce, and career readiness.

36 **Approved.**

1 **Resolution 25-10: Truancy**

2

3 **Amend Existing Resolution 3.83 Truancy as follows:** The WASB supports legislation which  
4 would clarify the responsibilities of school districts, parents, students, courts, and law  
5 enforcement agencies in the enforcement of truancy laws ~~and provide greater latitude in~~  
6 ~~applying disciplinary measures to keep students in school~~ with the goal of keeping students in  
7 school by using strengths-based and evidence-based approaches that focus on families, schools,  
8 and community organizations.

9

10 **Rationale:** Amending the current resolution on Truancy will better align it with emerging  
11 research and data that suggest an increase of disciplinary measures may not produce positive  
12 outcomes in this regard. A strengths-based approach is a way of working that focuses on an  
13 individual's strengths, rather than their deficits.

14

15

16 **Resolution 25-11: Funding for School Meal Debt**

17

18 **Create:** The WASB supports legislation that allocates money to reimburse districts for the  
19 cost of unpaid school meal debt if they are feeding all students without stigma.

20

21 **Rationale:** Communities continue to show that they are willing to bear the burden of paying  
22 for school meals if students are unable to do so by fundraising and donating money to cover  
23 unpaid school meal balances. Several districts within the state pay for school meals for all  
24 students. The state could alleviate that burden on districts, students, and families by allocating  
25 to a fund that districts can submit for reimbursement at the end of the year.

26

27

28 **Resolution 25-12: Cybersecurity**

29

30 **Create:** The WASB calls upon the legislature to allocate funding to school districts for  
31 cybersecurity measures, including, but not limited to, cybersecurity software/hardware  
32 upgrades and trainings for personnel.

33

34 Furthermore, the WASB encourages school boards to develop a plan of action and/or a policy  
35 on how the district will respond in the event of a cyber-attack. This may include whether a  
36 ransom will be paid, how to operate in the event of a loss of power or data records, and  
37 determining authority structures and procedures for communicating with law enforcement.

38

**Approved.**

1 **Rationale:** Ransom attacks and other such cybersecurity threats continue to be a growing  
2 problem for school districts. Often viewed by malicious actors as particularly vulnerable  
3 targets, schools unfortunately have very little funding and experience in cybersecurity matters  
4 to help resist cybersecurity threats. The proposed resolution language would aid schools by  
5 calling on the state for investment in key protections, as well as providing guidance on best  
6 practices that could help alleviate damage in the event of an attack.

7

8

9 ***(Note: Headings/Titles of resolutions and placement in the book are decided by WASB staff.***  
10 ***The delegates need to approve resolution language changes and deletions. The numbers in***  
11 ***parentheses indicate the year the original/existing language was adopted by delegates.)***

**Delegates voted on whether to bring other proposed resolutions to the floor. All were denied and not brought to the floor.**