

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

Wednesday, January 4, 2023

7:30 AM

Waunakee Community School District
905 Bethel Circle
Waunakee, WI 53597

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

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

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

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

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

AGENDA

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF AGENDA

IV. PUBLIC COMMENTS

V. 2022-2023 BUDGET UPDATE

A. End of the Year Balance Projection

4

The purpose of this agenda item is to review the projected end of the year balance. The 22-23 Fund 10 budget approved by the School Board in October was balanced and included a \$100,000 contingency. As of the end of November, the special education teacher approved for Heritage will come from the contingency fund. The budget also includes the additional \$1M approved through the operational referendum question. The school board has not approved expenditures related to the \$1M at this time.

The budget committee expressed an interest in reviewing natural gas purchases. The utility expenditures could exceed the utility budget by a significant dollar amount due to increases in the market rates for natural gas. See attached natural gas pricing chart. Attached you will find additional information about the natural gas market. Administration will be seeking feedback on the topic of purchasing natural gas through market rates or locking in rates based on futures pricing.

VI. 2023-2024 BUDGET PLANNING

A. Timeline 20

The purpose of this agenda item is to discuss the draft of the 2023-2024 budget process. Attached please find the budget timeline.

B. Review Budget Planning Process 21

The purpose of this agenda item is to review a draft of the budget planning process. Attached please find the budget planning process draft.

As a reminder, administration is recommending a budget planning process utilizing the 5-year average for enrollment planning. The 5-year average is projecting an increase of 110 new students, which nets out to a +9 overall. Administration will share the estimates that are being used to plan for the 23-24 budget, the FTE projections for grades K-12, and the overall revenue/expenditure estimates. Administration is seeking feedback from the Budget Committee on this topic.

C. 2023-24 Open Enrollment Planning 39

The purpose of this agenda item is to review the District open enrollment policy. The School Board is required to identify the number of open enrollment spaces available per grade level at the January meeting. Our open enrollment policy is based on the optimal class size level, not the maximum class size level. The attached document calculates the number of open enrollment spaces in two methods. These methods are moving the current student enrollments to the next grade level and utilizing the 5-year average enrollment projection. Administration is recommending utilizing the more conservative capacity number for each model. The highlighted number in yellow would be our recommendation for each grade level. We are seeking from the budget committee on this topic.

VII. NOVEMBER 8TH REFERENDUM PLANNING PROCESS 40

The purpose of this agenda item is to review the attached revised financial plan related to the November 8th referendum. The plan has been updated based on the school board approved December borrowing. In addition, the proposed borrowing for January 2023 was changed from \$120M to \$99M. This change was made due to spend down requirements and our intent to avoid an IRS required interest rate rebate. The \$120M option could have required an interest rate rebate based on the project cash flow needs as we understand them today. You will see that the \$99M borrowing is a note instead of a bond issue. The budget committee indicated a preference to move forward with this type of

borrowing. Administration is seeking budget committee feedback on the revised financial plan.

VIII. DISCUSSION/ACTION ON PROPOSALS

IX. OTHER ITEMS FOR DISCUSSION

41

Actuarial Study: The district was required to update the calculation related to our fund 73 post-employment benefit trust fund. Attached please find the full report and the one-page summary that identifies the recommended annual contribution. The recommended annual contribution increased from \$443,666 to \$668,817. This increase is primarily attributed to an increase in the estimates related to post-employment benefits. As an example, the actuarial study estimates future health insurance premiums. The district provided them with our 23-24 rate cap of 8.9%. Our health insurance planning for 23-24 is focused on rate increase options between 0% and 3%, meaning that the \$668,817 has the potential to be lower in the future. The 22-23 budget currently has \$0 identified as a payment and administration is recommending a review of this topic by the budget committee in the spring.

X. FUTURE AGENDA ITEMS

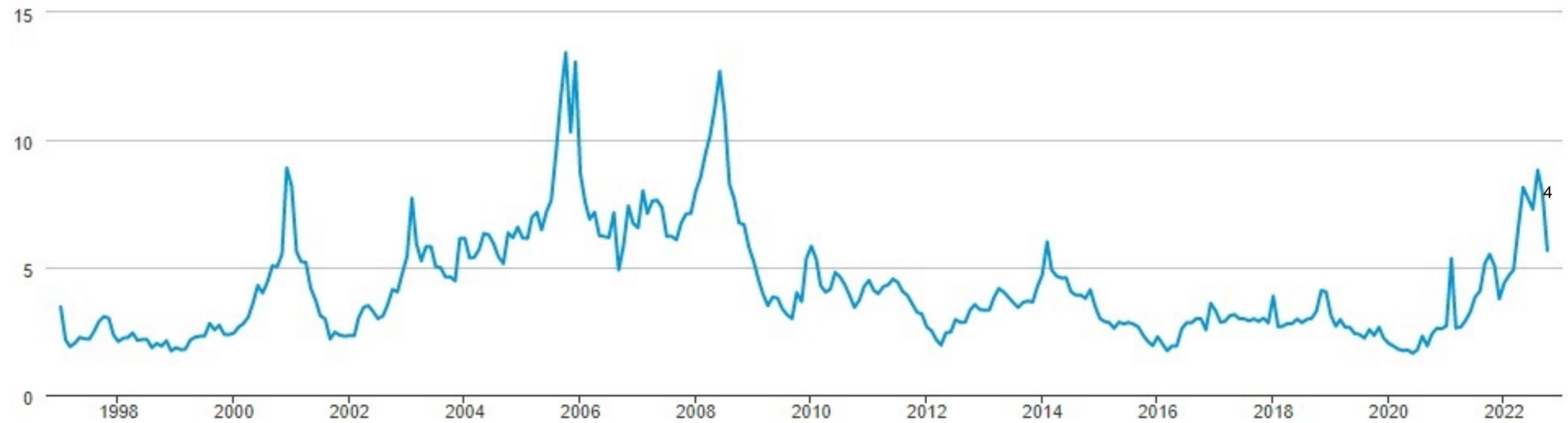
XI. ADJOURN

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

Henry Hub Natural Gas Spot Price

 [DOWNLOAD](#)

Dollars per Million Btu



Henry Hub Natural Gas Spot Price



Waunakee Community School District
 905 Bethel Circle
 Waunakee WI

Future Pricing	Per Therm
Jan 23-Jun 23	\$0.665
Jan 23-Dec 23	\$0.628
Jan 23-Jun 24	\$0.630
Jan 23-Dec 24	\$0.608

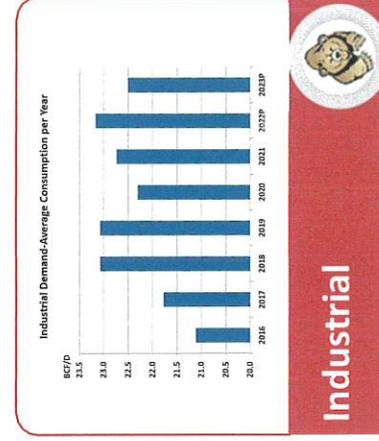
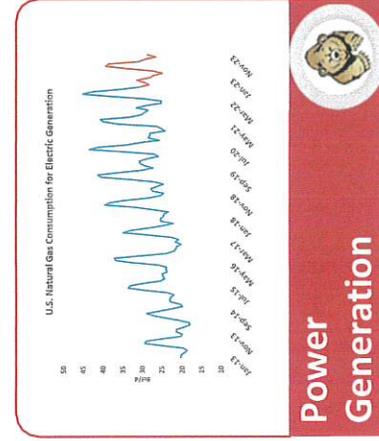
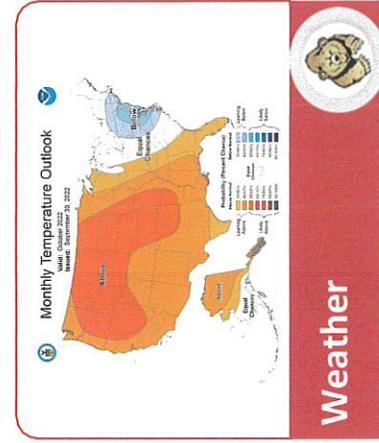
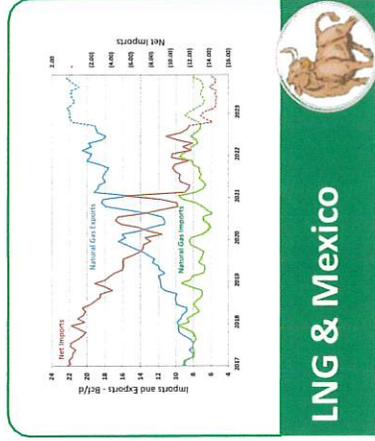
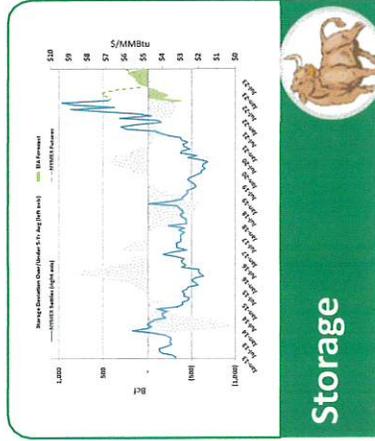
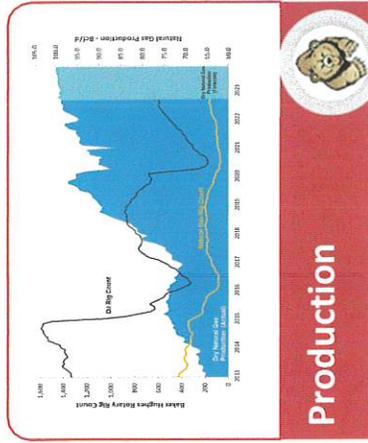
Historical Pricing	Per Therm
2021	\$0.663
2022	\$0.648

Month	2021		2022	
	Therms	Price	Therms	Price
Jan	48,661	\$0.308	43,377	\$0.588
Feb	51,762	\$0.300	66,658	\$0.538
Mar	59,419	\$1.896	51,616	\$0.690
Apr	33,529	\$0.367	41,777	\$0.504
May	23,571	\$0.309	31,007	\$0.620
Jun	16,229	\$0.352	19,105	\$0.742
July	12,219	\$0.369	15,981	\$0.961
Aug	14,153	\$0.408	15,177	\$0.677
Sep	17,208	\$0.444	17,185	\$0.896
Oct	15,003	\$0.491	18,445	\$0.928
Nov	20,694	\$0.628	25,056	\$0.619
Dec	35,312	\$0.674	34,593	\$0.612
Total	347,759	\$0.663	379,976	\$0.648

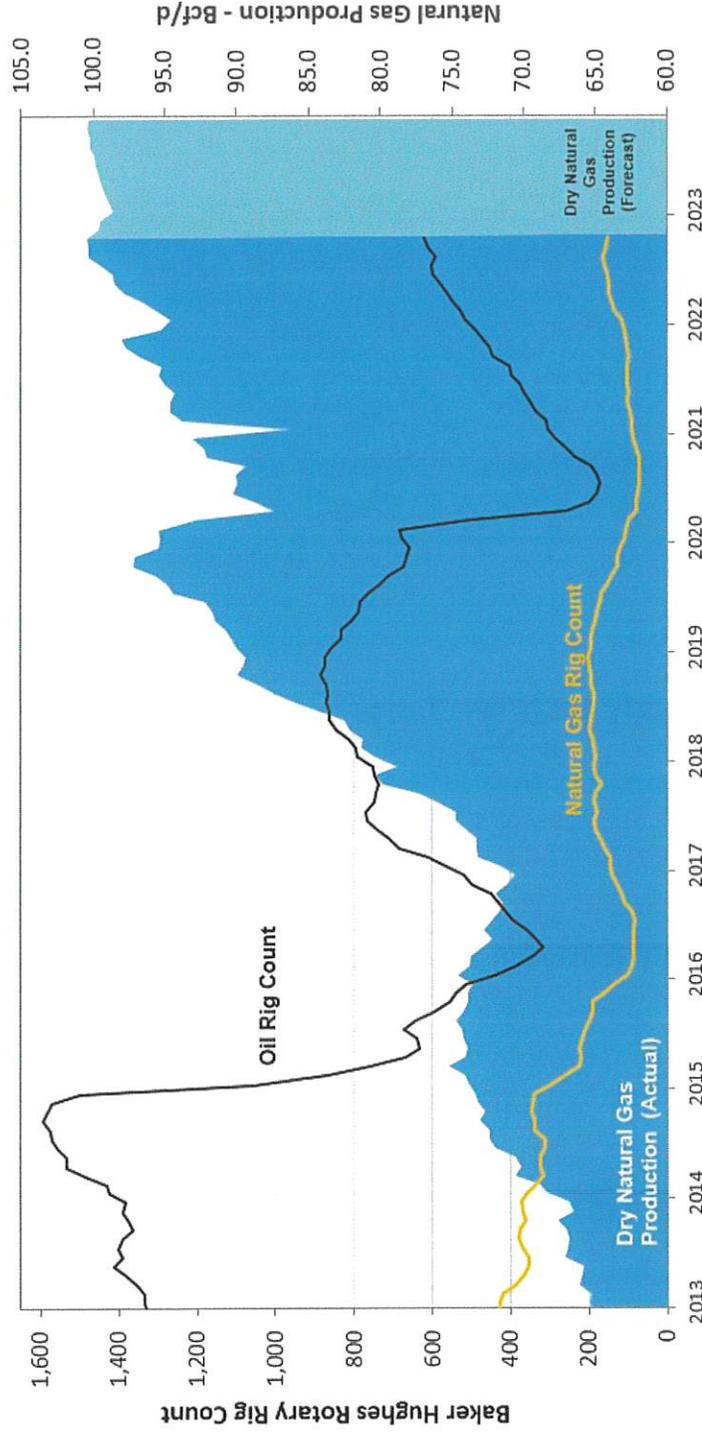
Acct #	2900440947
Meter #	Name
201911	Arboretum
167860	Intermediate
156506	Prairie
136468	Heritage
140286	Middle
51136	High

MGE Pricing	Price per Therm
Nov-22	\$0.741
Dec-22	\$0.876

US NATURAL GAS BULL & BEAR SUMMARY



NATURAL GAS PRODUCTION AND RIG COUNTS



- Combined oil and natural gas rig counts have recovered to pre-pandemic levels, but oil rigs as a percentage of the total have fallen by nearly 8% relative to 2Q20
- Production has climbed to within reach of record high levels set in 2019 but forward projections show flattening growth despite higher prices
- The EIA projects dry gas production growth over the next two years, but producers and service companies face staffing headwinds and long-term structural challenges that risk downward adjustment

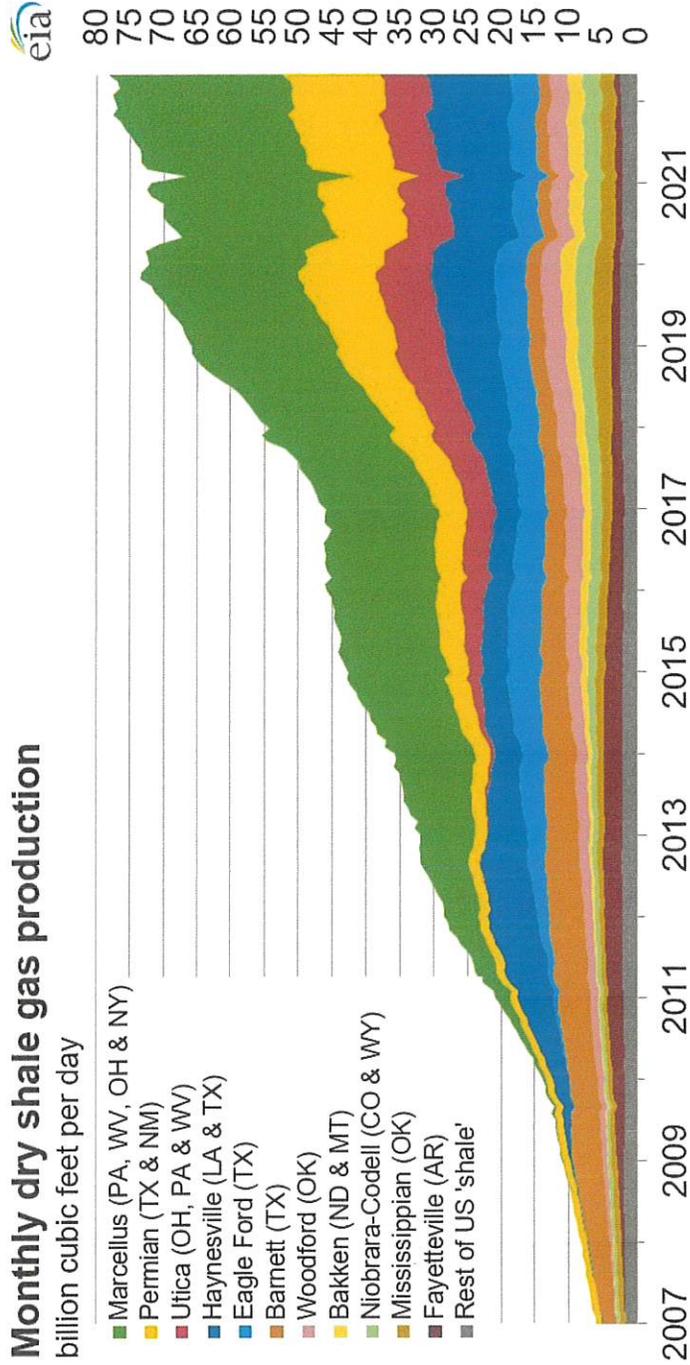
Data Sources: U.S. Energy Information Administration (EIA)

Market Intelligence Report

Company Confidential and Proprietary Information



SHALE GAS PRODUCTION



∞

➤ Shale gas production continues to make new highs and capital deployments in core gas plays (i.e., Marcellus) and associated gas plays (Permian) has further eroded legacy well contributions as a percentage of the production base

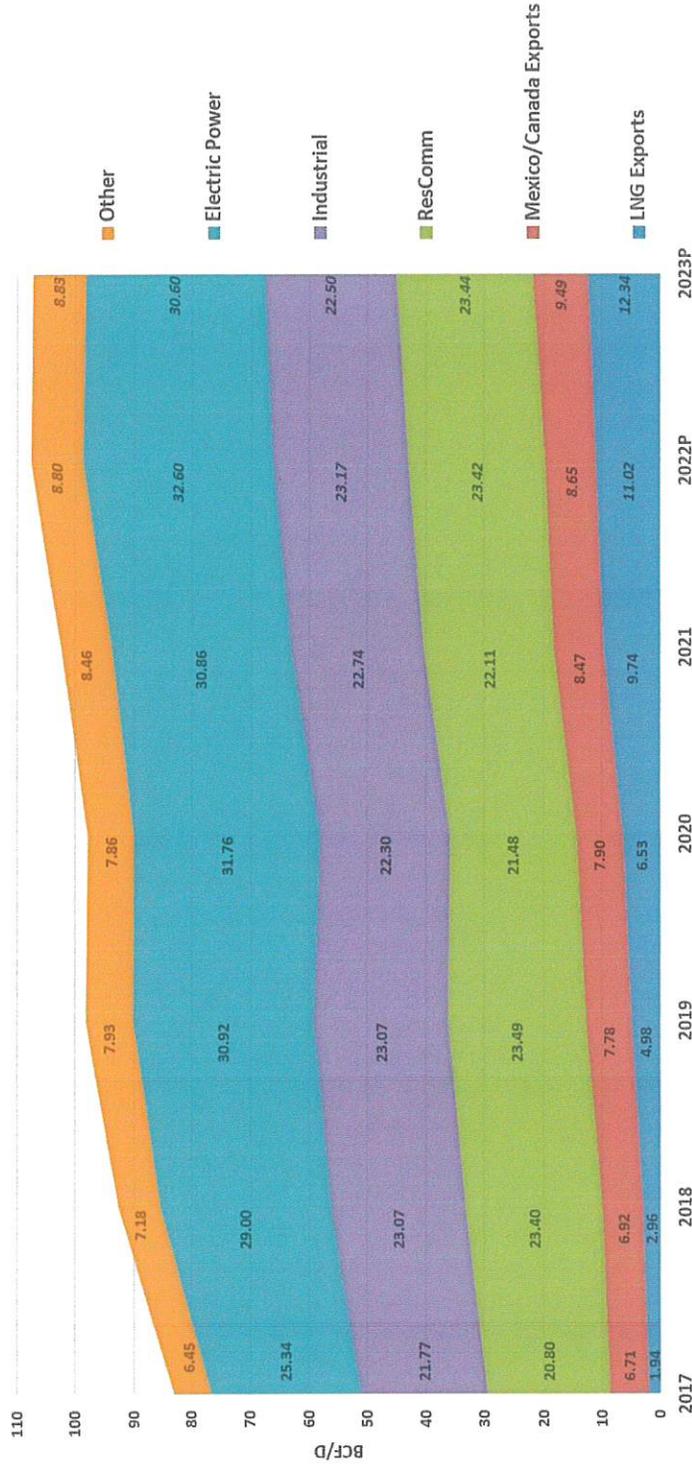
Data Sources: U.S. Energy Information Administration (Dry shale gas production estimates by play)

Market Intelligence Report

Company Confidential and Proprietary Information



ANNUAL NATURAL GAS DEMAND INCLUDING EXPORTS



➤ Growth in electric power demand and LNG exports continues to outpace incremental supply additions since early 2020

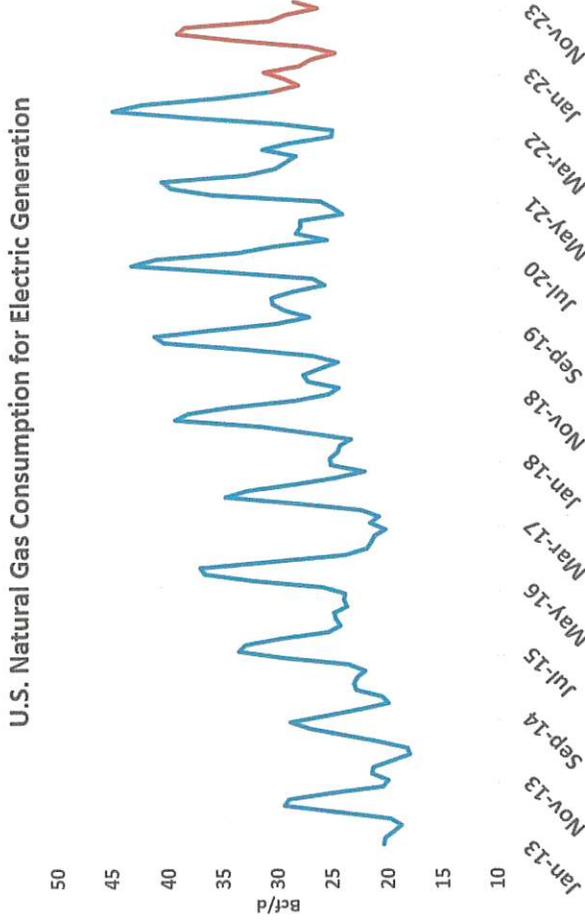
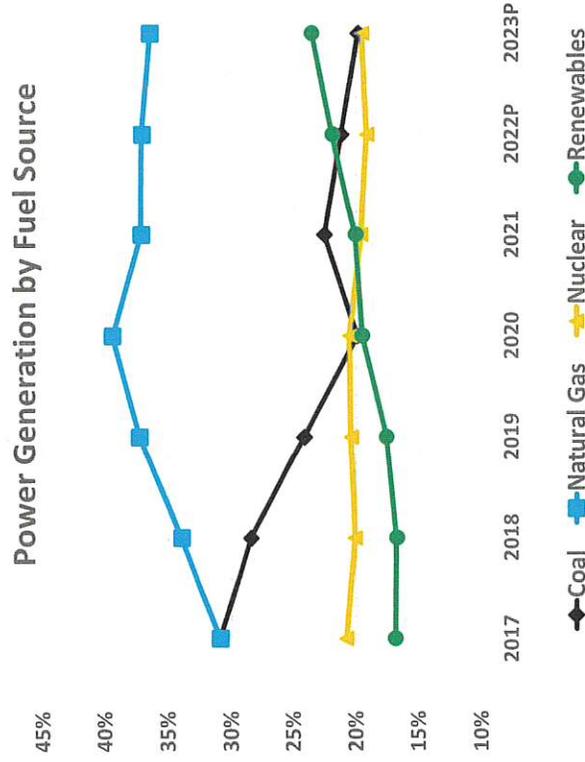
Data Sources: U.S. Energy Information Administration (EIA)

Market Intelligence Report

Company Confidential and Proprietary Information



ELECTRICITY GENERATION



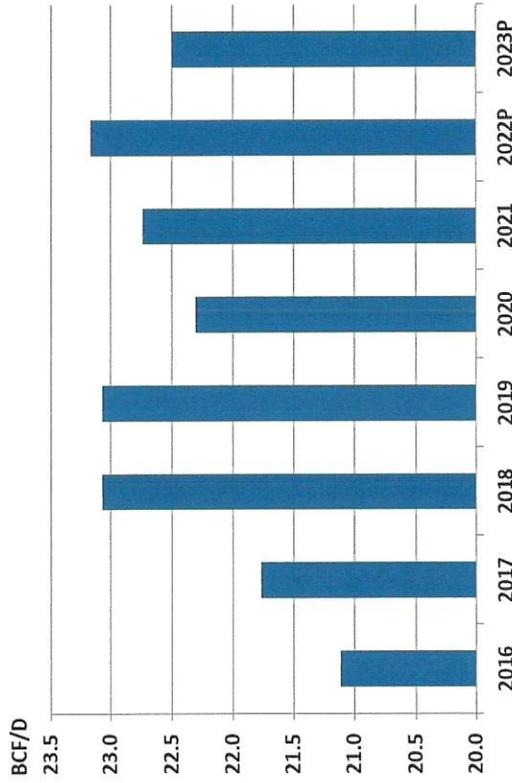
- Higher natural gas prices and the continued emergence of renewables will hurt demand, but as coal continues to be phased out of the mix natural gas will continue to be heavily relied upon as the ability to economically switch generation from natural gas to coal at a decadal low.
- The EIA expects aggregate electricity demand to fall by 0.9% in 2023. The Administration also anticipates further growth in renewables and a corresponding reduction in gas-fired generation demand.

Data Sources: U.S. Energy Information Administration (EIA)

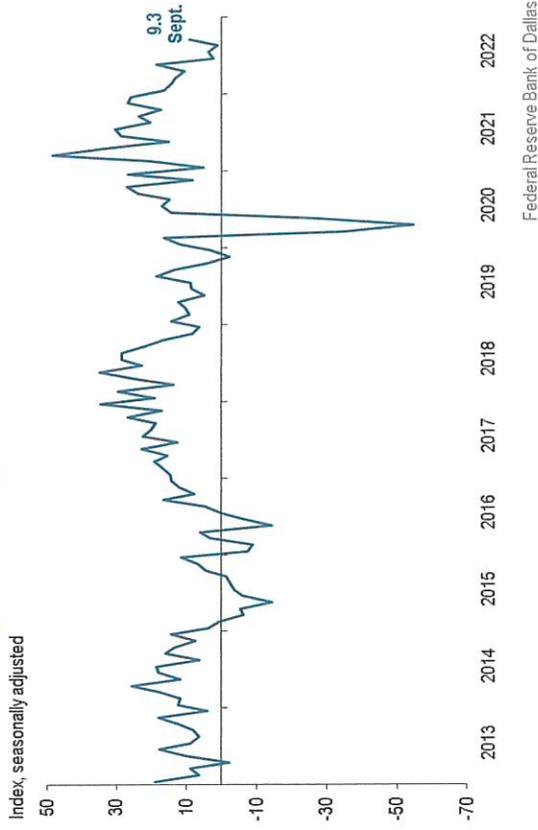


DEMAND FORECASTS-INDUSTRIAL

Industrial Demand-Average Consumption per Year



Texas Manufacturing Outlook Survey Production Index



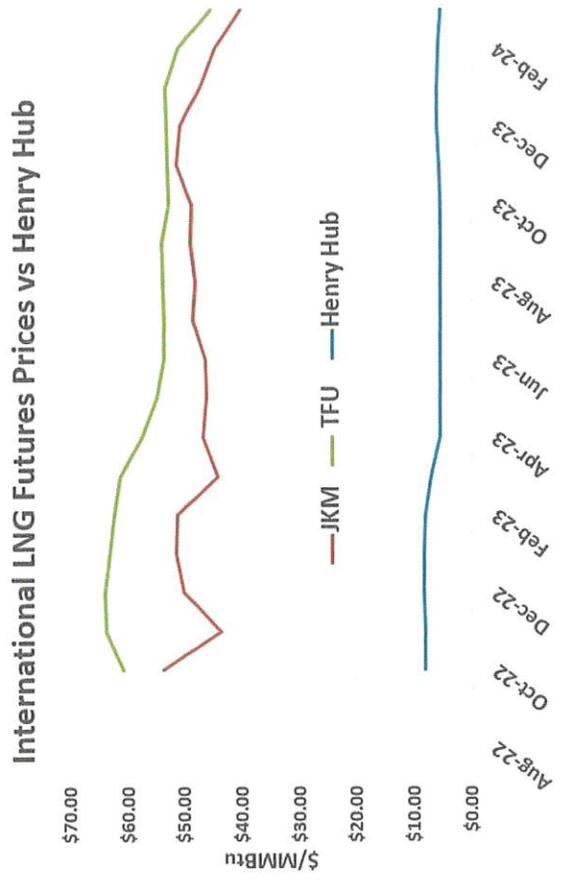
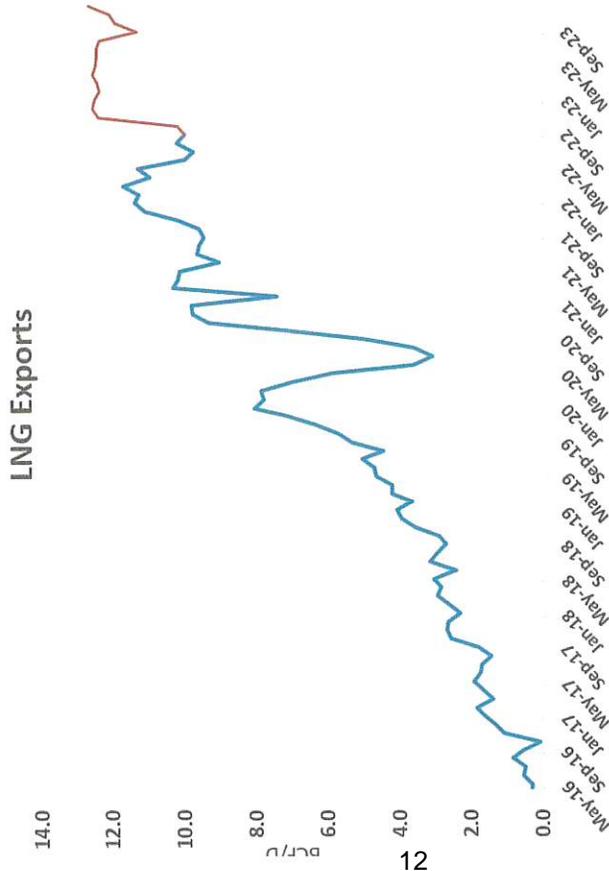
- Industrial demand was expected to hit new record levels in 2022 and 2023, but the EIA industrial demand forecast has slid downward in recent months due to high gas prices and weakening macroeconomic conditions—September data showed a strong rebound off the August low readings for both measures

Data Sources: U.S. Energy Information Administration (EIA), FEDERAL RESERVE BANK OF DALLAS

Market Intelligence Report

Company Confidential and Proprietary Information

LNG EXPORTS



- LNG exports continued their unrelenting climb from the depths of the 2020 global demand slowdown but ran into headwinds this summer. A June explosion at Freeport LNG took 2 Bcf/day of liquefaction capacity offline but its return to service, along with additional capacity from new projects and expansions in 4Q22 should push exports to record highs in early 2023.
- Current economics indicate full utilization of export capacity for the foreseeable future, but difficult financing conditions are impacting the value chain.

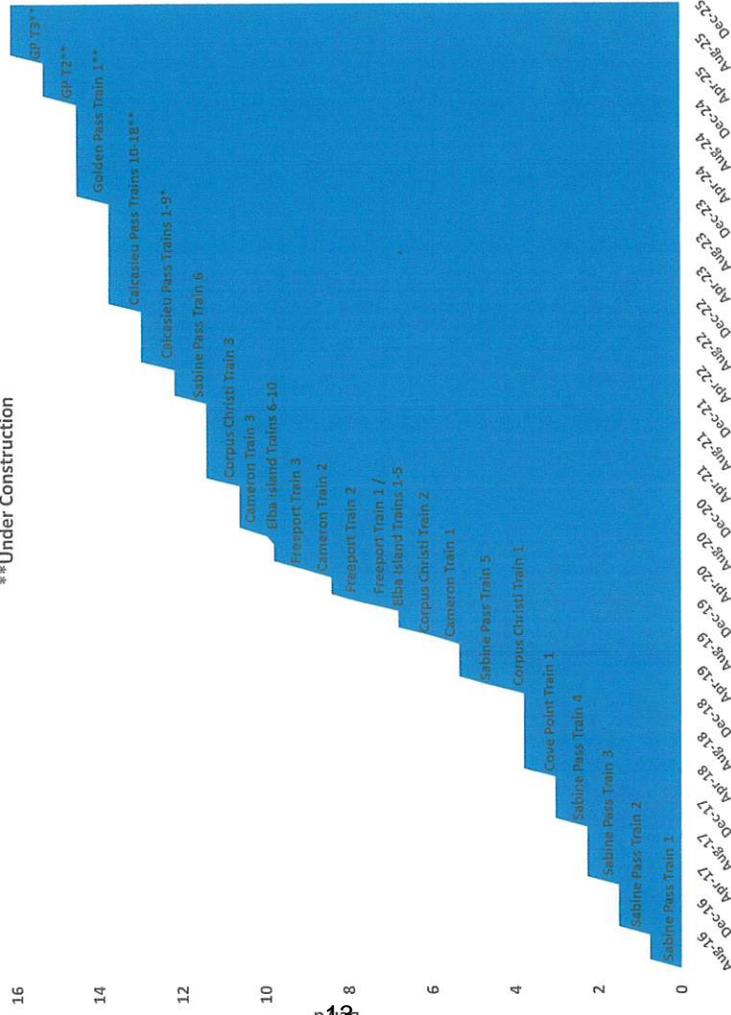
Data Sources: <https://www.energy.gov/fe/listings/lng-reports>, CME



Symmetry Energy Solutions
LNG PROJECTS

LNG Export Capacity by Facility

*Commissioning
 **Under Construction



U.S. large scale approved liquefaction facilities not under construction¹

Project name	Number of trains	Proposed design capacity Bcf/d	Location (state)
Magnolia LNG	n/a	1.2	LA
Lake Charles LNG	3	2.2	LA
Delfin FLNG	4	1.6	Offshore/Floating (GOM)
Driftwood LNG	5	3.64	LA
Port Arthur LNG	2	1.8	TX
Freeport LNG Train 4	1	0.74	TX
Gulf LNG	2	1.5	MS
Plaquemines LNG (Phase 1)	18	1.3	LA
Plaquemines LNG (Phase 2)	18	1.3	LA
Texas LNG	2	0.56	TX
Rio Grande LNG	6	3.56	TX
Corpus Christi Liquefaction Stage III	7	1.5	TX
Alaska LNG	3	2.55	AK
Cameron LNG Trains 4 and 5	2	1.4	LA

Data Sources: <https://www.eia.gov/naturalgas/data.php#limports>

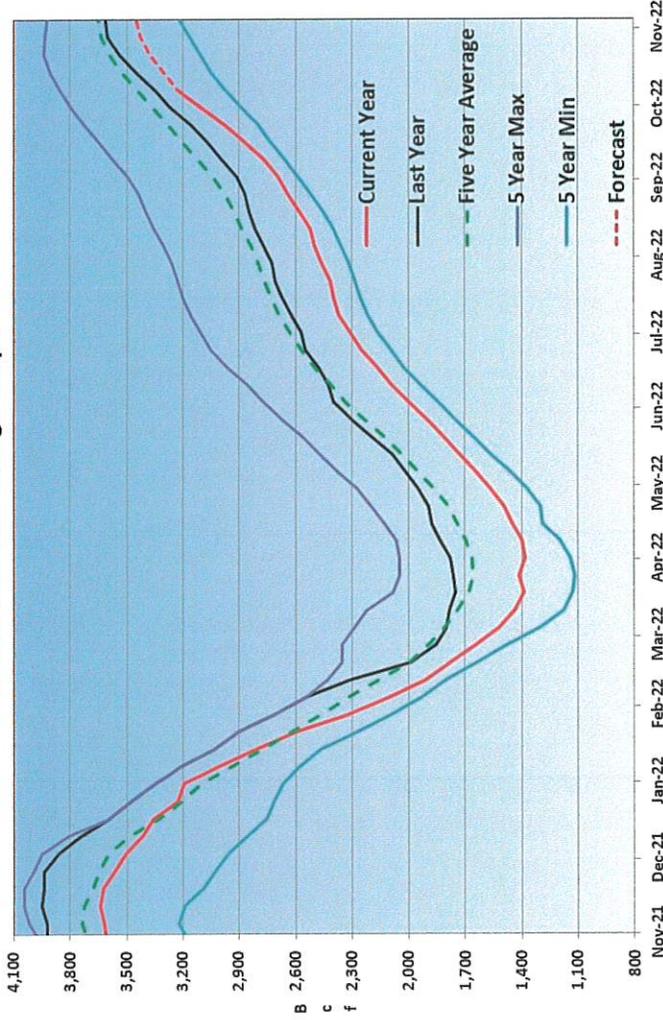
Market Intelligence Report

Company Confidential and Proprietary Information



NATURAL GAS STORAGE BALANCES

EIA Natural Gas Storage Graph

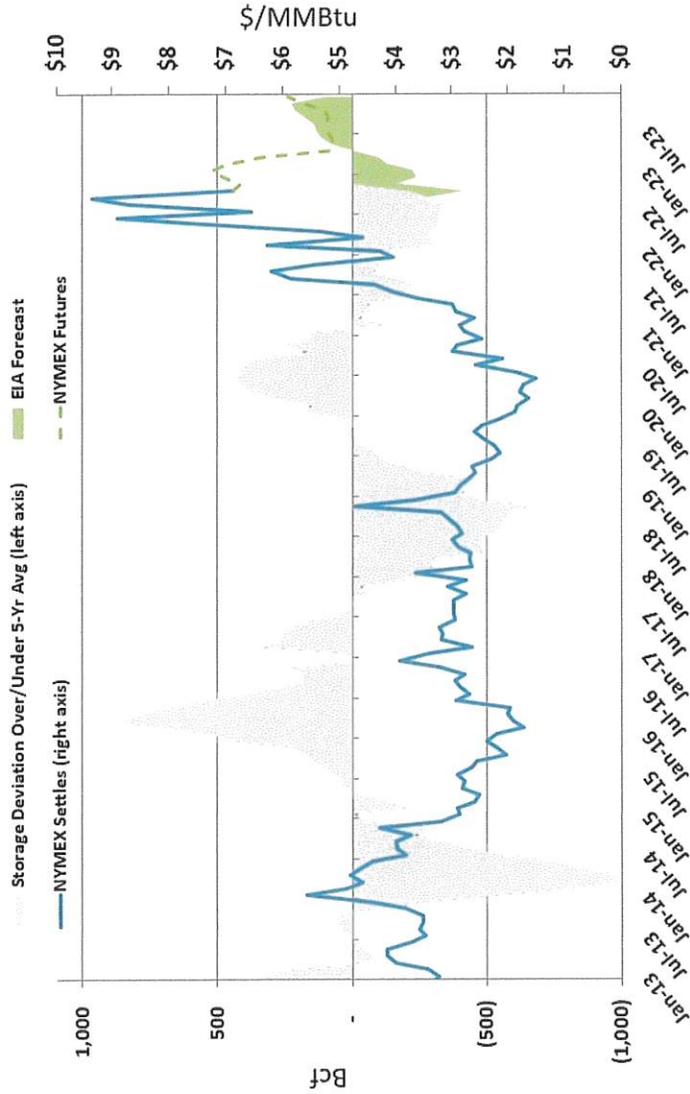


- Working gas in storage began the 2022 injection season about 350 Bcf below the five-year average level and down nearly 223 Bcf the same period in 2021.
- The EIA has lowered its forecast for the end of the 2022 injection season to around 3.45 Tcf, which is about 300 Bcf below the five-year average level. Southeast injections have been deferred by operational issues in the region, resulting in strong winter premiums.

Data Sources: U.S. Energy Information Administration (EIA)



NATURAL GAS STORAGE SURPLUSES AND DEFICITS RELATIONSHIP TO PRICE

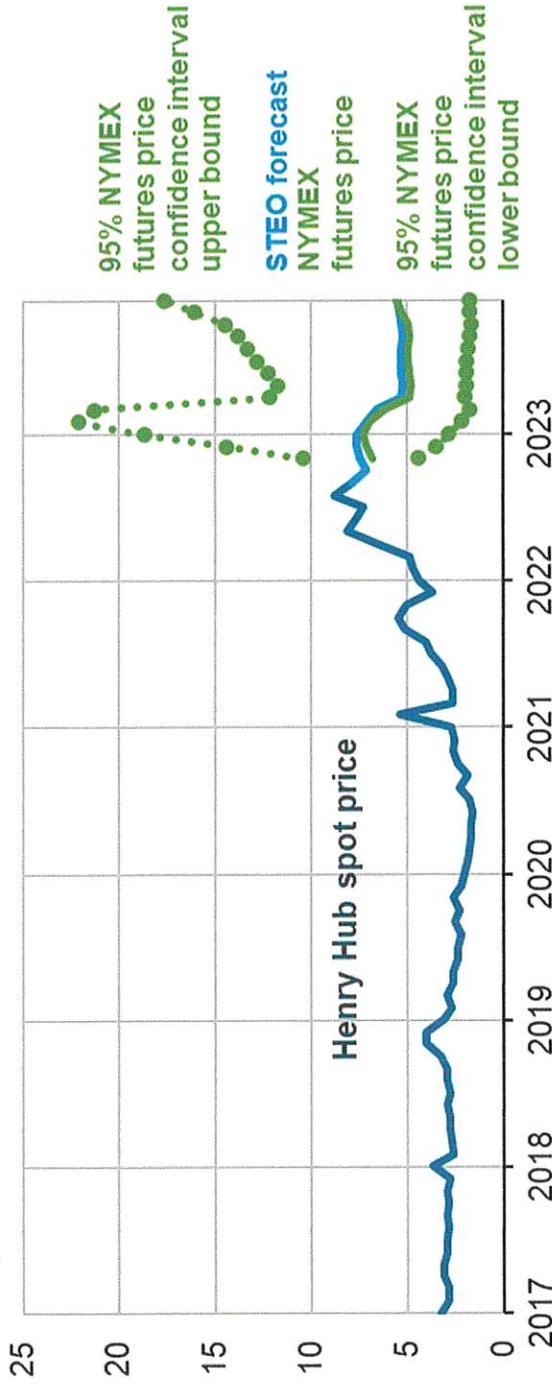


- NYMEX prices have always had a strong negative correlation to storage surpluses and deficits.
- A large storage deficit flipped to a small surplus in December 2021 due to extreme warmth and prices tumbled more than \$2.00, but the weather flipped colder in January and February 2022 driving storage levels lower and prices higher.
- The deficit in storage is expected to remain in place through the remainder of the injection season due to the tight supply/demand balance.

Data Sources: U.S. Energy Information Administration (EIA), CME



Henry Hub natural gas price and NYMEX confidence intervals
 dollars per million Btu

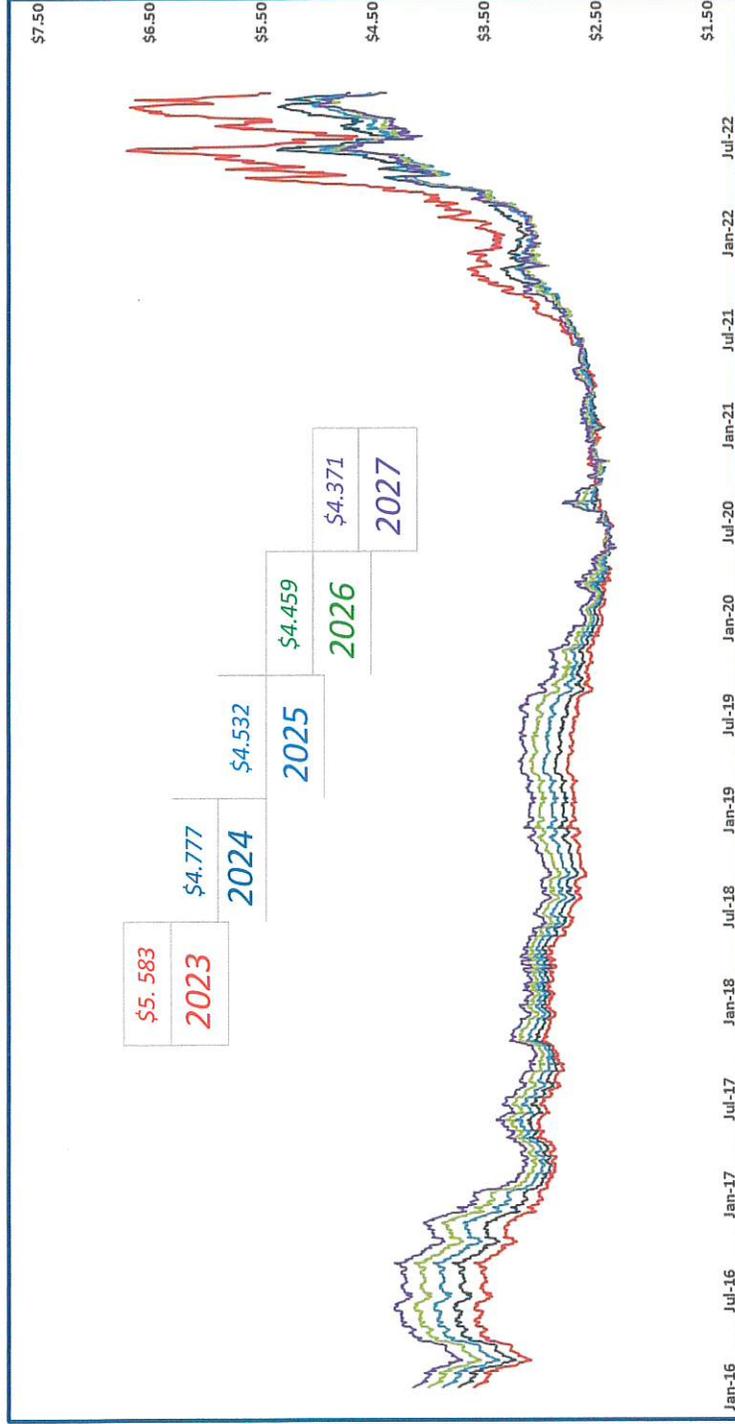


Note: Confidence interval derived from options market information for the five trading days ending Oct 6, 2022. Intervals not calculated for months with sparse trading in near-the-money options contracts.

Sources: U.S. Energy Information Administration, Short-Term Energy Outlook, October 2022, CME Group, and Refinitiv an LSEG Business



NYMEX PRICES – CALENDAR YEAR STRIPS



- The market remains in backwardation (higher prices at the front of the curve) through 2027 before flipping to contango due to a current tight gas market and expectations of future production growth.
- Prices bottomed out in 2020 during the height of the pandemic related shutdowns, but a rebound in demand and lagging production due to stricter capex spending and supply chain problems has led to a steady uptrend.

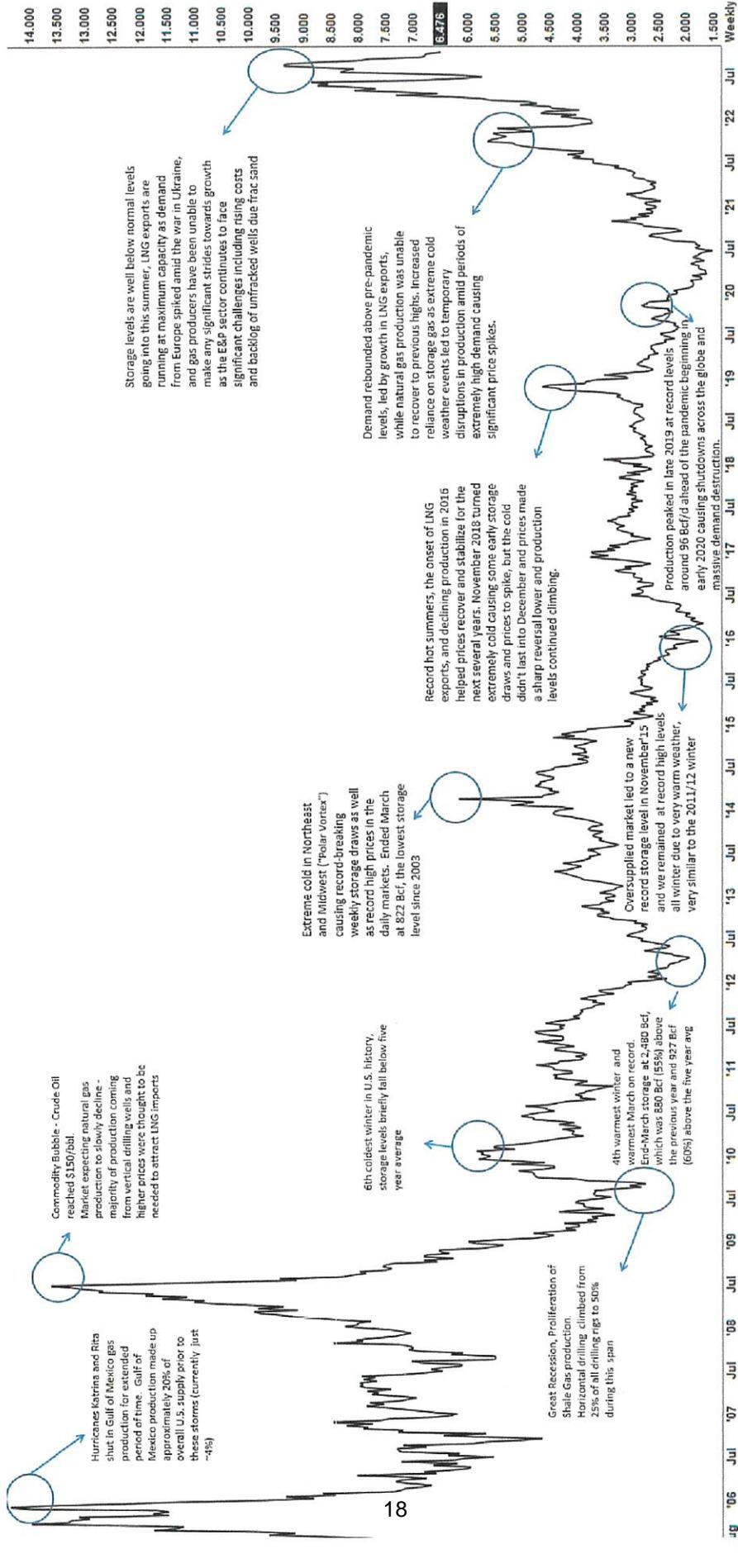
Data Sources: ICE, CME

Market Intelligence Report

Company Confidential and Proprietary Information



HISTORICAL NYMEX PRICES



Data Sources: ICE, CME

Market Intelligence Report

Company Confidential and Proprietary Information



DISCLAIMER

Disclaimer: This presentation (together with oral statements made in connection herewith, the “Presentation”) has been prepared for use by Symmetry Energy Solutions, LLC (“Symmetry”) and is for educational and informational purposes only. By receiving these materials, recipient agrees not to further distribute this Presentation. The Presentation is provided in summary form only and does not purport to be complete and Symmetry nor any of its subsidiaries and affiliates and/or its directors, partners, officers, employees, representatives, or agents (the “Company”) make any representation or warranty, express or implied, as to the accuracy or completeness or reliability of the information contained in this Presentation. You should consult with counsel as to information provided and by accepting this Presentation, you confirm that you are not relying upon the information contained herein to make any decision. To the fullest extent permitted by law, in no circumstance shall Company be responsible or liable for any direct, indirect, or consequential damages arising from the use of this Presentation, its content, its omissions, reliance on the information contained within or on opinions communicated in relation or otherwise in connection therewith. Certain information contained in this Presentation is based on third-party information. In some cases, we may not expressly refer to the source from which it was derived. There can be no warranty or guarantee as to the accuracy, completeness or reliability of such third-party information and you are encouraged to perform your own independent evaluation and analysis.

I. 2023-2024 BUDGET TIMELINE

December 6	Review enrollment projection scenarios with the Budget Committee Review budget planning process with the Budget Committee
December 13	Review budget planning process with the Administrative Cabinet
January 3-6	Review expenditure projection scenarios with the Budget Committee
January 10	Review budget planning process with the Administrative Cabinet
January 11	Open budget planning process to Administrative Cabinet
January 27	Budget planning requests due
February 6-10	Present first draft of the budget planning process to the Budget Committee
March 6-10	Present second draft of the budget planning process to the Budget Committee
March 13	Present budget planning process to the School Board for approval
March 14	Distribute approved budget planning process to the administrative cabinet
March 15 – Apr. 15	Building/department level budget development
April 3-21	Preparation of the first draft of the budget Budget meetings with administrators as necessary
April 24-28	Special School Board/Leadership Team meeting to review 2023-24 budget process
May 1-5	First draft of the budget to the Budget Committee
May 8	First draft of the budget to the School Board School Board approves 2023-24 student fees School Board approves 2023-24 insurance benefits
May 9-26	Staff presentations on the budget process
June 5-9	Second draft of the budget to the Budget Committee
June 12	Second draft of the budget to the School Board
July 1	State equalization aid estimates released by DPI
July 5-7	Third draft of the budget to the Budget Committee
July 10	Third draft of the budget to the School Board Public hearing on the budget during School Board meeting School Board approves budget to allow for summer activity
September 15	Third Friday in September student count
October 15	State equalization aid certification released by DPI
October 16	Presentation of the approved budget at the annual school district Budget Hearing. Request public approval of the tax levy at the Annual Meeting.
October 17-20	Present budget changes and tax levy changes to the Budget Committee
October 23	School Board makes any changes to the budget and sets the tax levy on or before November 1
Before Nov. 10	Certify tax levy by the School Board Clerk

Enrollment Projections
for the
Waunakee Community School District

November 16, 2022

Prepared by:
Grade A Budgets, LLC

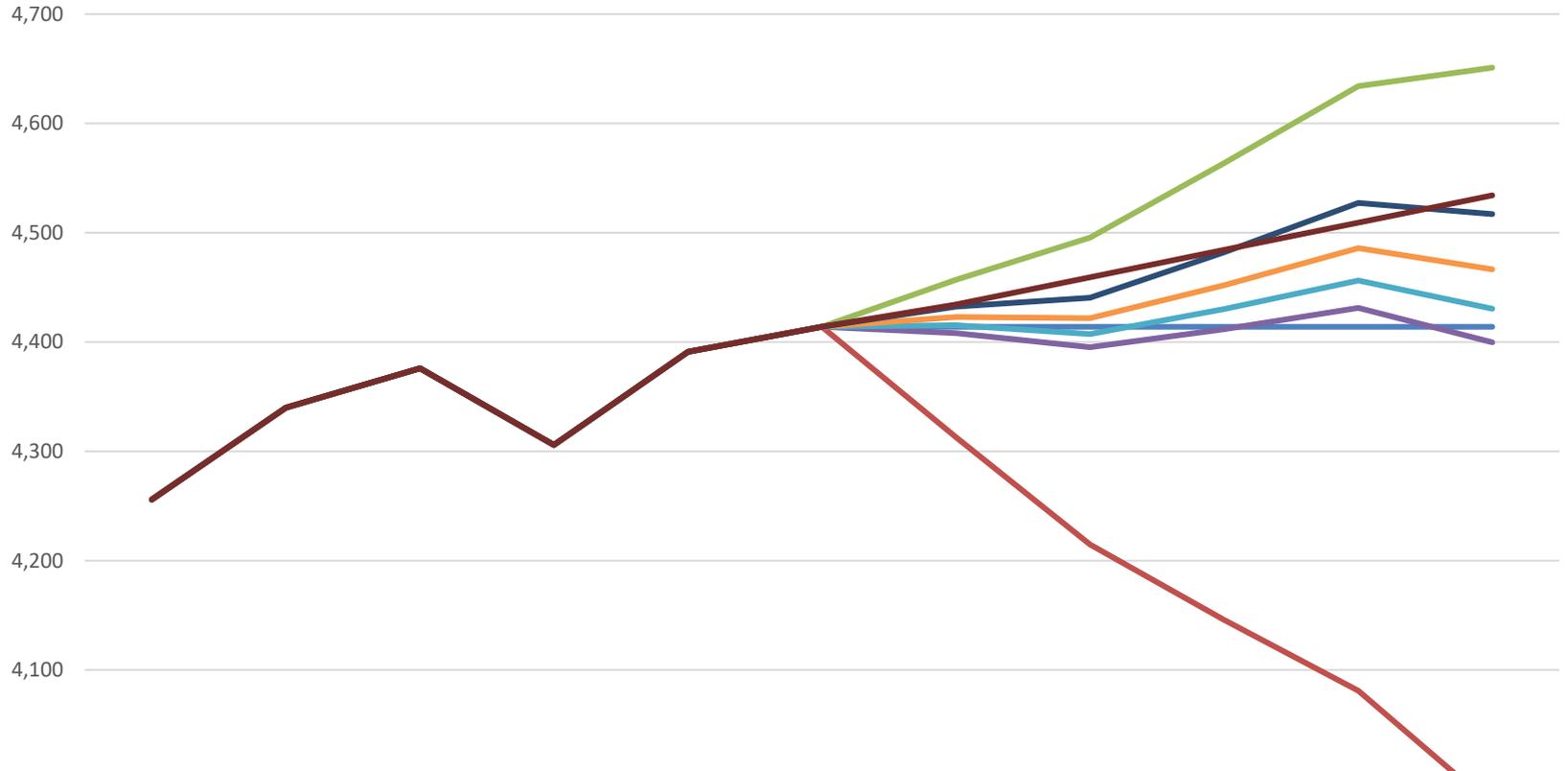
**Waunakee Community School District
Historic and Projected Headcount**

Historic and Projected Headcount - Waunakee Community School District											
Year	Actuals					Current	Projections				
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
No Changes	4,256	4,340	4,376	4,306	4,391	4,414	4,414	4,414	4,414	4,414	4,414
<i>Change</i>		84	36	-70	85	23	0	0	0	0	0
Roll Forward	4,256	4,340	4,376	4,306	4,391	4,414	4,313	4,215	4,146	4,081	3,976
<i>Change</i>		84	36	-70	85	23	-101	-98	-69	-65	-105
2 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,457	4,496	4,564	4,634	4,651
<i>Change</i>		84	36	-70	85	23	43	39	68	70	17
3 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,408	4,395	4,412	4,431	4,400
<i>Change</i>		84	36	-70	85	23	-6	-13	16	20	-31
4 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,415	4,407	4,430	4,456	4,430
<i>Change</i>		84	36	-70	85	23	1	-8	23	26	-26
5 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,423	4,422	4,452	4,486	4,467
<i>Change</i>		84	36	-70	85	23	9	-1	30	34	-19
Baseline	4,256	4,340	4,376	4,306	4,391	4,414	4,432	4,441	4,482	4,527	4,517
<i>Change</i>		84	36	-70	85	23	18	8	42	45	-10
Linear Trend	4,256	4,340	4,376	4,306	4,391	4,414	4,434	4,459	4,484	4,509	4,534
<i>Change</i>		84	36	-70	85	23	20	25	25	25	25

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

Historic and Projected FTE - Waunakee Community School District											
Year	Actuals					Current	Projections				
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
No Changes	4,022	4,074	4,091	4,026	4,084	4,120	4,120	4,120	4,120	4,120	4,120
<i>Change</i>		52	17	-65	58	36	0	0	0	0	0
Roll Forward	4,022	4,074	4,091	4,026	4,084	4,120	4,015	3,914	3,839	3,769	3,663
<i>Change</i>		52	17	-65	58	36	-105	-101	-75	-70	-106
2 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,163	4,209	4,259	4,323	4,338
<i>Change</i>		52	17	-65	58	36	43	46	50	64	15
3 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,121	4,118	4,128	4,148	4,121
<i>Change</i>		52	17	-65	58	36	1	-3	10	20	-27
4 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,118	4,111	4,122	4,138	4,109
<i>Change</i>		52	17	-65	58	36	-2	-7	11	16	-29
5 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,120	4,115	4,133	4,155	4,133
<i>Change</i>		52	17	-65	58	36	0	-5	18	22	-22
Baseline	4,022	4,074	4,091	4,026	4,084	4,120	4,124	4,121	4,145	4,175	4,160
<i>Change</i>		52	17	-65	58	36	4	-3	24	30	-15
Linear Trend	4,022	4,074	4,091	4,026	4,084	4,120	4,115	4,129	4,141	4,154	4,165
<i>Change</i>		52	17	-65	58	36	-5	14	12	13	11

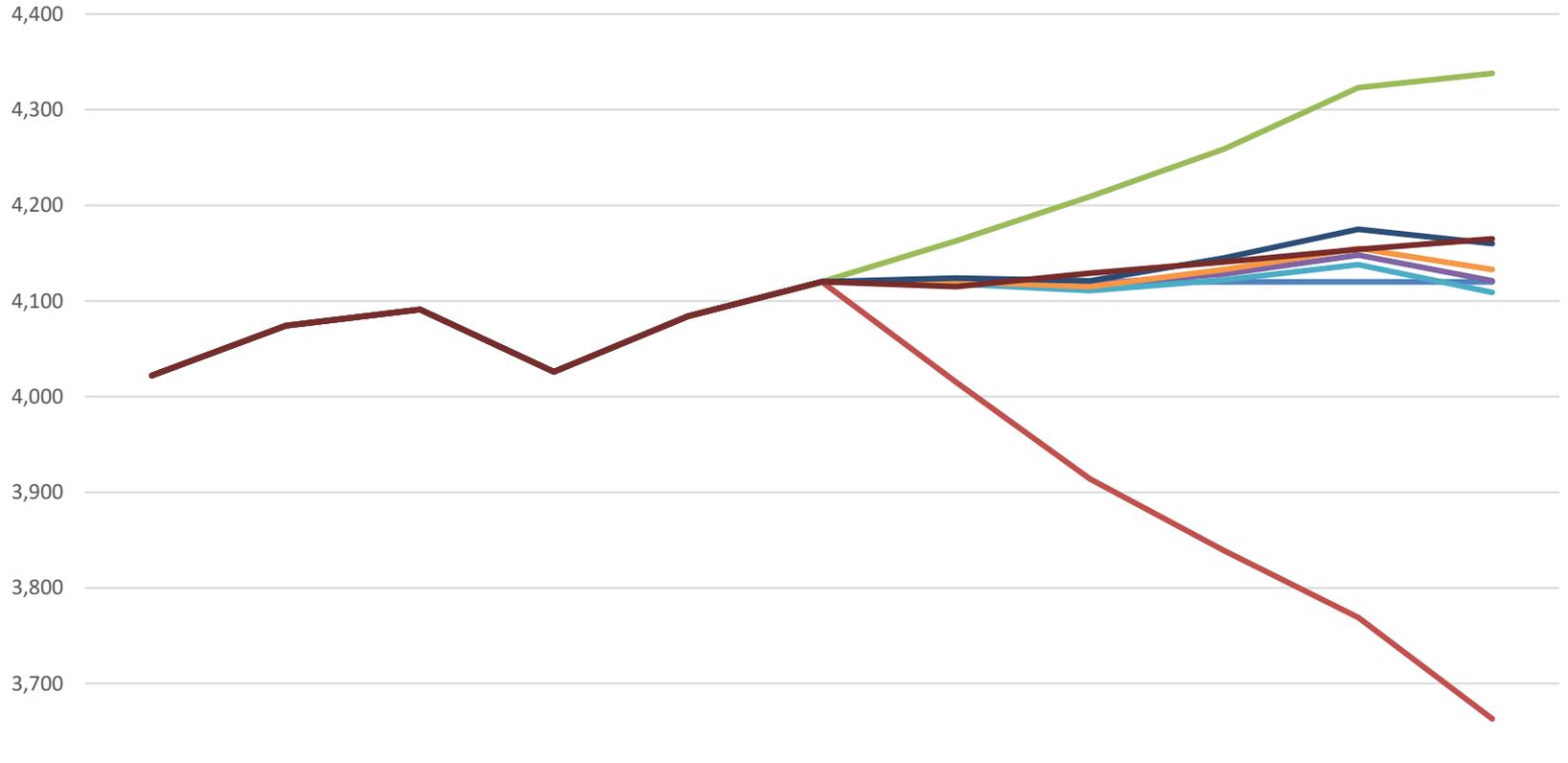
Historic and Projected Headcount - Waunakee Community School District



	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
No Changes	4,256	4,340	4,376	4,306	4,391	4,414	4,414	4,414	4,414	4,414	4,414
Roll Forward	4,256	4,340	4,376	4,306	4,391	4,414	4,313	4,215	4,146	4,081	3,976
2 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,457	4,496	4,564	4,634	4,651
3 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,408	4,395	4,412	4,431	4,400
4 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,415	4,407	4,430	4,456	4,430
5 Yr Avg	4,256	4,340	4,376	4,306	4,391	4,414	4,423	4,422	4,452	4,486	4,467
Baseline	4,256	4,340	4,376	4,306	4,391	4,414	4,432	4,441	4,482	4,527	4,517
Linear Trend	4,256	4,340	4,376	4,306	4,391	4,414	4,434	4,459	4,484	4,509	4,534

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

Historic and Projected FTE - Waunakee Community School District



	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
No Changes	4,022	4,074	4,091	4,026	4,084	4,120	4,120	4,120	4,120	4,120	4,120
Roll Forward	4,022	4,074	4,091	4,026	4,084	4,120	4,015	3,914	3,839	3,769	3,663
2 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,163	4,209	4,259	4,323	4,338
3 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,121	4,118	4,128	4,148	4,121
4 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,118	4,111	4,122	4,138	4,109
5 Yr Avg	4,022	4,074	4,091	4,026	4,084	4,120	4,120	4,115	4,133	4,155	4,133
Baseline	4,022	4,074	4,091	4,026	4,084	4,120	4,124	4,121	4,145	4,175	4,160
Linear Trend	4,022	4,074	4,091	4,026	4,084	4,120	4,115	4,129	4,141	4,154	4,165

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



WAUNAKEE

COMMUNITY SCHOOL DISTRICT

**Preliminary
Budget Planning
2023-24 School Year**

DRAFT

Budget Committee Meeting
January 4, 2023

I. 2023-2024 BUDGET TIMELINE

December 6	Review enrollment projection scenarios with the Budget Committee Review budget planning process with the Budget Committee
December 13	Review budget planning process with the Administrative Cabinet
January 3-6	Review expenditure projection scenarios with the Budget Committee
January 10	Review budget planning process with the Administrative Cabinet
January 11	Open budget planning process to Administrative Cabinet
January 27	Budget planning requests due
February 6-10	Present first draft of the budget planning process to the Budget Committee
March 6-10	Present second draft of the budget planning process to the Budget Committee
March 13	Present budget planning process to the School Board for approval
March 14	Distribute approved budget planning process to the administrative cabinet
March 15 – Apr. 15	Building/department level budget development
April 3-21	Preparation of the first draft of the budget Budget meetings with administrators as necessary
April 24-28	Special School Board/Leadership Team meeting to review 2023-24 budget process
May 1-5	First draft of the budget to the Budget Committee
May 8	First draft of the budget to the School Board School Board approves 2023-24 student fees School Board approves 2023-24 insurance benefits
May 9-26	Staff presentations on the budget process
June 5-9	Second draft of the budget to the Budget Committee
June 12	Second draft of the budget to the School Board
July 1	State equalization aid estimates released by DPI
July 5-7	Third draft of the budget to the Budget Committee
July 10	Third draft of the budget to the School Board Public hearing on the budget during School Board meeting School Board approves budget to allow for summer activity
September 15	Third Friday in September student count
October 15	State equalization aid certification released by DPI
October 16	Presentation of the approved budget at the annual school district Budget Hearing. Request public approval of the tax levy at the Annual Meeting.
October 17-20	Present budget changes and tax levy changes to the Budget Committee
October 23	School Board makes any changes to the budget and sets the tax levy on or before November 1
Before Nov. 10	Certify tax levy by the School Board Clerk

II. ENROLLMENT HISTORY

History

Grade	2018-19	2019-20	2020-21	2021-22	2022-23
EC	15	12	4	12	15
4K	274	240	268	270	249
K	290	283	256	295	292
1	280	298	272	278	303
2	298	278	298	297	285
3	288	315	270	304	310
4	340	303	310	285	311
TOTAL	1785	1729	1678	1741	1765
ELEM					
5	289	349	309	326	294
6	288	299	342	318	342
TOTAL	577	648	651	644	636
INTER.					
7	328	304	295	349	330
8	328	341	305	303	354
TOTAL	656	645	600	652	684
MIDDLE					
9	346	339	343	316	314
10	345	347	338	348	318
11	311	342	343	341	347
12	320	326	353	349	350
TOTAL	1322	1354	1377	1354	1329
HIGH					
TOTAL	4340	4376	4306	4391	4414
DISTRICT					

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

Enrollment Increase “New” Students

- 2018-19 1.5%
- 2019-20 1.2%
- 2020-21 -1.9%
- 2021-22 1.1%
- 2022-23 2.4%
- Five year average is 0.86 %

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

III. STAFFING

Staffing Classrooms K-6 – Ratios

2022-23 School Year

Grade	Total Dec 2022 enrolled	Sections				Student/Teacher Ratio	Optimum Class size*	Average Class size		
		Total	Arboretum	Heritage	Prairie			Arboretum	Heritage	Prairie
K	289	14	4	5	5	20.6	20	20.3	19.6	22.0
1	305	15	4	6	5	20.3	20	22.0	18.5	21.2
2	282	14	4	5	5	20.1	20	21.3	17.8	21.6
3	310	15	4	6	5	20.7	23	22.0	20.7	19.6
4	309	14	4	5	5	22.1	23	22.3	21.4	22.6
5	294	14				21.0	23			
6	344	15				22.9	23			
Total K-6	2133		20	27	25					

*The optimum class size is per Board Policy.

2022-23 Staffing Ratios

Arboretum	30.00	435 *	14.50
Prairie	38.00	533 *	14.03
Heritage	37.50	548 *	14.61
Intermediate	45.69	636	13.92
Middle School	50.00	684	13.68
High School	90.17	1329	14.74
Students with Disabilities	77.00	4414 **	57.32

* Does not include Early Childhood and 4K

**Students with Disabilities ratio is based on total enrollment

Historical Staffing Ratios

School	18-19	19-20	20-21	21-22	22-23
Arboretum	15.66	15.55	14.55	14.50	14.50
Prairie	15.48	14.44	14.44	13.45	14.03
Heritage	16.14	15.97	14.47	14.38	14.61
Intermediate	13.42	14.24	13.64	14.09	13.92
Middle School	14.58	13.72	13.72	12.99	13.68
High School	15.74	15.87	15.33	15.02	14.74
Students with Disabilities	65.21	63.85	63.84	60.99	57.32

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

SWD ratio is based on total enrollment

IV. BUDGET FORECAST

Benefits of a Budget Forecast

- Recognize enrollment trends and the budgetary and facility impact
- Understand revenue trends including the property tax impact
- Understand expenditure trends
- Realize the future impact of current fiscal decisions
- Explore the outcomes of different data scenarios

Steps in the Budget Forecast

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

Assumptions Made

- Current school finance system continues (revenue caps and per pupil aid)
- Enrollment projection scenarios are close to actual
- Salary costs increase at 7.5% in 23-24, 6% in 24-25, and 5% thereafter
- Health costs increase at 3% per year
- Dental costs increase at 0%
- 2 additional FTE per fiscal year
- Non-personnel costs do not increase except transportation (5%) and utilities (5%)
- 23-24 Revenues are based on a \$200 per student increase in the revenue limit formula and state special education categorical aid increased to 32.5% for 23-24 and 35% in 24-25.
 - Please note that in September of 2022, the governor proposed a \$350 per student increase in 23-24 and \$300 additional in 24-25. In addition, the proposal included state special education categorical aid increasing to 45% for 23-24 and 60% in 24-25.
- Savings from staff retirements is not included

Five Year Enrollment Projections

Grade	5-Year Average			
	Residents	OE In	Total Students	OE Out
EC	15	0	15	0
4K	227	22	249	7
K	252	16	268	3
1st	286	14	300	1
2nd	292	22	314	1
3rd	272	19	291	1
4th	302	18	320	2
5th	306	14	320	2
6th	282	20	302	1
7th	341	11	352	2
8th	315	21	336	5
9th	345	20	365	3
10th	300	15	315	4
11th	300	17	317	11
12th	337	22	359	7
Totals	4172	251	4423	50

Change in Enrollment

9

Waunakee Community School District

V. 2023-24 PLANNING

Enrollment Information/Projection

Grade	September 2022			December 2022			5-Year Average		
	Residents	OE In	Total Students	Residents	OE In	Total Students	Residents	OE In	Total Students
EC	15	0	15	15	0	15	15	0	15
4K	227	22	249	236	23	259	227	22	249
K	277	15	292	274	15	289	252	16	268
1st	282	21	303	284	21	305	286	14	300
2nd	266	19	285	263	19	282	292	22	314
3rd	291	19	310	291	19	310	272	19	291
4th	297	14	311	294	15	309	302	18	320
5th	277	17	294	277	17	294	306	14	320
6th	331	11	342	333	11	344	282	20	302
7th	310	20	330	310	20	330	341	11	352
8th	337	17	354	340	17	357	315	21	336
9th	301	13	314	303	13	316	345	20	365
10th	304	14	318	304	14	318	300	15	315
11th	329	18	347	329	17	346	300	17	317
12th	332	18	350	333	18	351	337	22	359
Totals	4176	238	4414	4186	239	4425	4172	251	4423

- OE is open enrollment students attending WCSD

Staffing Classrooms K-12 – Ratios

PRELIMINARY PROJECTIONS 2023-24

<u>K</u>	-	268	14 Sections [no change]	19.1 to 1	(20)
<u>1</u>	-	300	15 Sections [no change]	20.0 to 1	(20)
<u>2</u>	-	314	15 Sections [+1 Section]	20.9 to 1	(20)
<u>3</u>	-	291	14 Sections [-1 Section]	20.8 to 1	(23)
<u>4</u>	-	320	14 Sections [no change]	22.9 to 1	(23)
<u>5</u>	-	320	14 Sections [no change]	22.9 to 1	(23)
<u>6</u>	-	302	15 Sections [no change]	20.1 to 1	(23)

Our headcount indicates no change in sections for grades K-6.

7 th – 8 th grade	Sept 22	684 students/13.68 = 50.0 FTE
	Dec 22	687 students/13.68 = 50.2 FTE
	Sept 23	688 students/13.68 = 50.3 FTE

9 th – 12 th grade	Sept 22	1,329 students/14.74 = 90.1 FTE
	Dec 22	1,331 students/14.74 = 90.3 FTE
	Sept 23	1,355 students/14.74 = 91.9 FTE

7th – 12th grade +2.1 FTE

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

Staffing/Student Classrooms K-6 – Ratios

Projections 2023-24/Compared to 2022-23 Actual

<u>K</u>	-	<u>14 Sections- (no change)</u>		
		Arboretum-	4	
		Heritage-	5	
		Prairie-	5	
<u>1</u>	-	<u>14 Sections- (-1 section at Heritage)</u>		
		Arboretum-	4	
		Heritage-	5	
		Prairie-	5	
<u>2</u>	-	<u>15 Sections- (+ 1 section at Heritage)</u>		
		Arboretum-	4	
		Heritage-	5	
		Prairie-	6	
<u>3</u>	-	<u>14 Sections- (- 1 section at Heritage)</u>		
		Arboretum-	4	
		Heritage-	5	
		Prairie-	5	
<u>4</u>	-	<u>15 Sections- (+ 1 section at Heritage)</u>		
		Arboretum-	4	
		Heritage-	6	
		Prairie-	5	
<u>K-4</u>	-	<u>Total (estimates indicate a -1.0 FTE in grades K-4)</u>		
		Arboretum-	20	
		Heritage-	27	
		Prairie-	25	
<u>Intermediate</u>				
<u>5</u>	-	<u>14 Sections</u>	}	<i>(estimates indicate a 0 FTE at grades 5-6)</i>
<u>6</u>	-	<u>15 Sections</u>		

Staffing Classrooms K-6 – Ratios

2023-24 School Year

Grade	December 22 Enrollment Roll- Forward	Sections				Student/ Teacher Ratio	Optimum Class size*	Average Class size		
		Total	Arboretum	Heritage	Prairie			Arboretum	Heritage	Prairie
K	268	14	4	5	5	19.1	20	18.8	19.4	19.2
1	289	14	4	5	5	20.6	20	20.3	19.6	22.0
2	305	15	4	6	5	20.3	20	22.0	18.5	21.2
3	282	14	4	5	5	20.1	23	21.3	17.8	21.6
4	310	15	4	6	5	20.7	23	22.0	20.7	19.6
5	309	14				22.1	23			
6	294	15				19.6	23			
Total K-6	2057		20	27	25					

*The optimum class size is per Board Policy.

Fund 10 – “Big Picture Overview”

Current Scenario	Prior Years		Current Year	2023-24	2024-25
	2020-21	2021-22	2022-23		
Enrollment Growth	-2.2%	1.9%	0.9%	0.0%	-0.1%
Eq. Valuation Growth		8.0%	15.8%	3.0%	3.0%
Rev. Limit/Member Incr.	179	0	0	200	200
Referendum	2,127,502	2,127,502	3,127,502	5,127,502	8,127,502
Fund 10 Revenues	54,001,480	56,513,086	57,382,866	60,817,742	63,252,478
Fund 10 Expenditures	52,934,810	55,312,394	57,382,866	60,756,943	63,619,305
Surplus (Deficit)	1,066,670	1,200,692	0	60,799	(366,827)
Fund Balance	7,494,823	8,695,515	8,695,515	8,756,314	8,389,487
Fund Balance %	14.2%	15.7%	15.2%	14.4%	13.2%
Operating Expenses	55,813,949	58,456,116	61,041,192	64,769,291	68,053,045
Equalization Aid	20,532,274	22,688,840	23,888,515	25,235,122	25,297,398
Total Tax Levy	34,648,262	37,434,390	38,555,555	40,459,662	44,761,178
Mill Rate	\$10.89	\$10.89	\$9.69	\$9.87	\$10.60

Waunakee Community School District

Sample Scenario

Assumption	Prior Years		Current Year	2023-24	2024-25
	2020-21	2021-22	2022-23		
<u>Revenue Limit FTE</u>	4,026	4,084	4,120	4,120	4,115
Headcount	4,306	4,391	4,414	4,414	4,414
OE In	233	242	238	251	261
OE Out	<u>52</u>	<u>38</u>	<u>45</u>	<u>50</u>	<u>55</u>
OE margin	181	204	193	202	206
<u>Per pupil Increase</u>	179	0	0	200	200
PPCA	742	742	742	742	742
<u>Operating Referenda</u>	2,127,502	2,127,502	3,127,502	5,127,502	8,127,502
Vouchers	52,449	25,654	47,989	47,989	47,989
<u>All Funds Salaries</u>	32,503,668	35,293,454	37,991,077	40,980,408	43,589,343
All Funds Benefits	12,254,742	12,593,607	12,798,267	13,385,679	13,926,082
<u>Fund 10 revenues</u>	54,001,480	56,513,086	57,382,866	60,817,742	63,252,478
<u>Fund 10 expenses</u>	<u>52,934,810</u>	<u>55,312,394</u>	<u>57,382,866</u>	<u>60,756,943</u>	<u>63,619,305</u>
Margin	1,066,670	1,200,692	0	60,799	(366,827)
Fund Balance	7,494,823	8,695,515	8,695,515	8,756,314	8,389,487
Fund Balance %	14.2%	15.7%	15.2%	14.4%	13.2%
Fund 10 Levy	26,294,430	24,956,316	24,818,251	26,718,393	30,606,384
Fund 38 Levy	0	0	0	0	0
Fund 39 Levy	7,394,445	12,017,000	13,342,804	13,741,269	14,154,794
Fund 41 Levy	509,296	0	0	0	0
Fund 80 Levy	<u>450,091</u>	<u>450,091</u>	<u>394,500</u>	<u>0</u>	<u>0</u>
<u>Total Levy</u>	34,648,262	37,423,407	38,555,555	40,459,662	44,761,178
Prop Value	3,181,517,136	3,437,359,073	3,980,468,177	4,099,882,222	4,222,878,689
Mill Rate	\$10.89	\$10.89	\$9.69	\$9.87	\$10.60

Open Enrollment Capacity for the 2023-24 School Year
Based on December 2022 Enrollment

	ESTIMATED	NUMBER OF	CLASS	OPTIMAL	OPENINGS	OPEN
4K-4 TOTALS						
4K	227	13	17.46	20	260	33
FULL DAY KINDERGARTEN	259	14	18.50	20	280	21
FIRST GRADE	289	15	19.27	20	300	11
SECOND GRADE	305	15	20.33	20	300	0
THIRD GRADE	282	14	20.14	23	322	40
FOURTH GRADE	310	14	22.14	23	322	12
ELEMENTARY TOTALS	1672					
	ESTIMATED	NUMBER OF	CLASS	OPTIMAL	OPENINGS	OPEN
INTERMEDIATE						
FIFTH GRADE	309	14	22.07	23	322	13
SIXTH GRADE	294	15	19.60	23	345	51
BUILDING TOTAL	603					
	ESTIMATED	NUMBER OF	CLASS	OPTIMAL	OPENINGS	OPEN
MIDDLE SCHOOL						
SEVENTH GRADE	344	16	21.50	22	352	8
EIGHTH GRADE	330	17	19.41	22	374	44
BUILDING TOTAL	674					
	ESTIMATED	NUMBER OF	CLASS	OPTIMAL	OPENINGS	OPEN
HIGH SCHOOL						
NINTH GRADE	357	16	22.31	22	352	0
TENTH GRADE	316	13	24.31	22	286	0
ELEVENTH GRADE	318	15	21.20	22	330	12
TWELFTH GRADE	346	13	26.62	25	325	0
BUILDING TOTAL	1337					

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

Open Enrollment Capacity for the 2023-24 School Year
Based on 5-Year Average Enrollment Model

	ESTIMATED	NUMBER OF	CLASS	OPTIMAL	OPENINGS	OPEN ENROLLMENT
4K-4 TOTALS						
4K	227	13	17.46	20	260	33
FULL DAY KINDERGARTEN	268	14	19.14	20	280	12
FIRST GRADE	300	15	20.00	20	300	0
SECOND GRADE	314	15	20.93	20	300	0
THIRD GRADE	291	14	20.79	23	322	31
FOURTH GRADE	320	14	22.86	23	322	2
ELEMENTARY TOTALS	1720					
	ESTIMATED	NUMBER OF	CLASS	OPTIMAL	OPENINGS	OPEN ENROLLMENT
INTERMEDIATE						39
FIFTH GRADE	320	14	22.86	23	322	2
SIXTH GRADE	302	15	20.13	23	345	43
BUILDING TOTAL	622					
	ESTIMATED	NUMBER OF	CLASS	OPTIMAL	OPENINGS	OPEN ENROLLMENT
MIDDLE SCHOOL						
SEVENTH GRADE	352	16	22.00	22	352	0
EIGHTH GRADE	336	17	19.76	22	374	38
BUILDING TOTAL	688					
	ESTIMATED	NUMBER OF	CLASS	OPTIMAL	OPENINGS	OPEN ENROLLMENT
HIGH SCHOOL						
NINTH GRADE	365	16	22.81	22	352	0
TENTH GRADE	315	13	24.23	22	286	0
ELEVENTH GRADE	317	15	21.13	22	330	13
TWELFTH GRADE	359	13	27.62	25	325	0
BUILDING TOTAL	1356					

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

Waunakee Community School District
NOVEMBER, 2022 REFERENDA EXAMPLE FINANCING PLAN
SCENARIO 3: FRONT LOADED PHASING / INCREASE LEVY FLEXIBILITY

LEVY YEAR	YEAR DUE	FUND 39 EXISTING DEBT SERVICE	FUND 39 IMPACT OF 2022 PREPAYMENT	NET FUND 39 EXISTING DEBT SERVICE	FINAL - BANK QUALIFIED \$9,980,000		BANK QUALIFIED \$99,000,000		BANK QUALIFIED \$56,030,000		BANK QUALIFIED \$9,990,000		BANK QUALIFIED \$96,000,000		LESS: EST. REOFFERING PREMIUM	NET NEW DEBT SERVICE	EXAMPLE LEVY MANAGEMENT FUND	FUND 39 DEBT LEVY EXISTING PLUS NEW	YEAR DUE	
					G.O. SCHOOL BUILDING BONDS Dated December 29, 2022 (First interest 4/1/23)		G.O. PROMISSORY NOTES Dated February 1, 2023 (First interest 10/1/23)		G.O. SCHOOL BUILDING BONDS Dated October 1, 2024 (First interest 4/1/25)		G.O. SCHOOL BUILDING BONDS Dated September 1, 2025 (First interest 4/1/26)		G.O. REFUNDING BONDS Dated April 1, 2028 (First interest 10/1/28)							
				PRINCIPAL (4/1)		INTEREST (4/1 & 10/1) AIC= 3.96%		PRINCIPAL (4/1) LESS: PRINCIPAL REFINANCED		INTEREST (4/1 & 10/1) EST. AIC= 3.96%		PRINCIPAL (4/1)		INTEREST (4/1 & 10/1) EST. AVG= 4.75%		PRINCIPAL (4/1) (& 2/1/2043)		INTEREST (4/1 & 10/1) EST. AVG= 4.00%		
2021	2022	\$7,203,088	\$4,813,912	\$12,017,000																
2022	2023	\$7,281,020	(\$179,171)	\$7,101,849			\$301,618													
2023	2024	\$7,359,749	(\$179,171)	\$7,180,578			\$399,200													
2024	2025	\$7,359,653	(\$179,171)	\$7,180,481			\$399,200													
2025	2026	\$7,360,515	(\$179,171)	\$7,181,344			\$399,200													
2026	2027	\$7,488,365	(\$179,171)	\$7,309,194			\$399,200													
2027	2028	\$7,489,465	(\$179,171)	\$7,310,294			\$399,200	\$96,000,000	(\$96,000,000)	\$1,920,000										
2028	2029	\$5,036,067	(\$2,396,020)	\$2,640,047			\$399,200			\$1,425,000	\$2,627,581									
2029	2030	\$5,040,947	(\$2,436,434)	\$2,604,513			\$399,200			\$1,530,000	\$2,557,400									
2030	2031	\$2,599,463		\$2,599,463			\$399,200			\$1,610,000	\$2,482,825									
2031	2032	\$2,601,975		\$2,601,975			\$399,200			\$1,685,000	\$2,404,569									
2032	2033	\$2,598,406		\$2,598,406			\$399,200			\$1,775,000	\$2,322,394									
2033	2034	\$2,597,319		\$2,597,319			\$399,200			\$1,860,000	\$2,236,063									
2034	2035	\$660,563		\$660,563			\$399,200			\$3,935,000	\$2,098,431									
2035	2036						\$1,260,000			\$3,535,000	\$1,921,019									
2036	2037						\$1,310,000			\$3,710,000	\$1,748,950									
2037	2038						\$1,365,000			\$3,890,000	\$1,568,450									
2038	2039						\$1,420,000			\$4,080,000	\$1,379,163									
2039	2040						\$1,480,000			\$4,275,000	\$1,180,731									
2040	2041						\$1,540,000			\$4,485,000	\$972,681									
2041	2042						\$1,605,000			\$4,700,000	\$754,538									
2042	2043									\$6,605,000	\$486,044									
2043	2044									\$6,930,000	\$164,588									
2044	2045																			
2045	2046																			
		\$72,676,594	(\$1,093,570)	\$71,583,023	\$9,980,000	\$6,553,618	\$99,000,000	(\$96,000,000)	\$20,015,000	\$56,030,000	\$37,551,125	\$9,990,000	\$6,765,781	\$96,000,000	\$32,000,600	(\$249,601)	\$277,636,523	\$0	\$349,219,546	

(A) Non-recurring override for 3 years beginning 2022-23 and ending after 2024-25.
(B) State aid impact based on prior fiscal year incremental expenditure over base year (FY 2021-22) at the following aid levels (2022-23 October certification):
Tertiary Aid Percentage..... -6.92%

NOTES: Example financing scenarios could be impacted by other variables, such as significant market or statutory changes, which may necessitate adjustments to the financing plans.
Mill rate may remain unchanged or decline in upcoming years if referendum not approved.
Scenarios where a greater portion of the overall debt is issued in advance of the expenditures of the proceeds will likely result in higher fees earned by the investment manager of the debt proceeds.



Key Benefit Concepts LLC

Waunakee Community School District

GASB 75 Actuarial Valuation

Valuation as of June 30, 2022

Liabilities Measured as of June 30, 2022

December 2022

Key Benefit Concepts LLC

200 W. Summit Ave., Suite 270

Wales, Wisconsin 53183

Tel: (262) 522-6415



This report, its text, charts, content and formatting are subject to copyright protection and are the exclusive property of **Key Benefit Concepts LLC**.



Table of Contents

	Page
Background and Certification	2
Other Post-Employment Benefits (OPEB)	4
<ul style="list-style-type: none">• Key Definitions• Plan Summary• Implicit Rate Subsidy	
Other District-Provided Post-Employment Benefits	7
<ul style="list-style-type: none">• Actively-Funded Benefit• Sick Leave Benefit• Termination Benefit	
Actuarially Determined Contribution (ADC)	8
Summary of Valuation Results	9
<ul style="list-style-type: none">• District OPEB Liability• Deferred Inflow and Outflow of Resources• Trust Assets	
Key Actuarial Methods and Assumptions	12
Pay-As-You-Go (Table IX)	13
OPEB Tables	14
OPEB Technical Appendix	30

Background and Certification

The Governmental Accounting Standards Board (GASB) develops and issues accounting standards to improve the financial accounting and reporting of U.S. state and local governments. GASB has finalized Statement No. 74 (Financial Reporting for Post-Employment Benefit Plans Other Than Pension Plans) and Statement No. 75 (Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions). These Statements establish standards for the measurement, recognition, and display of Other Post-Employment Benefits (OPEB) expense/ expenditures.

Key Benefit Concepts LLC (KBC) is an independent actuarial and employee benefits consulting firm providing actuarial services to clients who sponsor qualified retirement and other post-employment benefits. We are not affiliated with any organization that might impair the objectivity of our work. This valuation and report were prepared by KBC based upon:

- Our understanding of GASB's current statements.
- The Summary of Benefits and Eligibility determined by the bargaining and other District agreements, as outlined herein.
- The accuracy and completeness of information and data provided by the District.

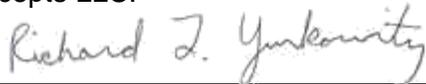
During the valuation process, KBC performed a limited review of the census information provided by the District for reasonableness when compared to information provided in prior valuations but did not audit such information in its entirety. As noted above, the valuation is based on the accuracy and completeness of the information provided; KBC does not accept any responsibility for the integrity of such information.

Please note that KBC does not provide legal advice. The scope of the project is clearly defined in our proposal and does not include commentary or accountability for whether such benefits and eligibilities comply with state, federal or other required guidelines. The government entity is responsible for assuring that the benefits it provides are in compliance with all current regulations.

The calculations of cost and liabilities illustrated were determined according to generally recognized and accepted actuarial principles and standards that are consistent with the Actuarial Standards of Practice promulgated by the Actuarial Standards Board. Specific assumptions and actuarial methodology for the study are defined within the report. Each material assumption is, in the actuary's opinion, individually reasonable and falls within the best estimate range, taking into account past experience and reasonable future expectations, and is consistent with each other material assumption. Given that actual experience may vary from the actuarial assumptions projected, developing liabilities and costs may differ from those estimated in this report. Furthermore, in the event of any inaccuracies in the information or data provided, upon which these calculations were based, revisions may be needed.

This report was prepared solely for the purpose of providing information required by GASB for the entity's financial reporting, subject to the terms of the signed agreement between KBC and the District dated June 8, 2022. KBC assumes neither responsibility nor any liability for use of this report for any other purpose.

The valuation was prepared in full compliance with the American Academy of Actuaries “Code of Professional Conduct” Precept 7 regarding conflict of interest. The actuary certifying this valuation meets the qualifications of the American Academy of Actuaries required to provide the actuarial opinion detailed in this report. The actuary’s opinion and certification are provided in accordance with an agreement with Key Benefit Concepts LLC.



Richard L. Yurkowitz, ASA, MAAA
Signing Actuary

December 9, 2022

Other Post-Employment Benefits (OPEB)

Key Definitions

The actuarial present value of the OPEB liabilities is the value of all benefits estimated to be payable to plan members discounted at the assumed interest rate back to the valuation date. The actuarial present value is comprised of:

- Benefits employees have already earned, and
- Benefits expected to be earned by employees in the future.

Presented in this report are the results of our study of the post-employment benefits and the associated liabilities and costs. The study includes the following:

Total OPEB Liability (TOL): The portion of the actuarial present value of projected benefit payments attributed to past periods of employee service also known as the accrued benefit.

Service Cost: The portion of the actuarial present value of benefits allocated to the valuation year.

Fiduciary Net Position (FNP): The market value of assets held in an irrevocable trust exclusively for payment of post-employment benefits.

Net OPEB Liability (NOL): The difference between the Total OPEB Liability and Fiduciary Net Position. This amount may also be negative indicating a surplus of FNP over TOL.

OPEB Expense: The expected cost of OPEB benefits attributed to the measurement period.

Actuarially Determined Contribution (ADC): The ADC represents a targeted or recommended contribution to funding the benefit over time comprised of the service cost plus the portion of the Net OPEB Liability to be amortized in the valuation year.

Plan Summary

For Waunakee Community School District (the “District”), the other post-employment benefit liability consists of several interdependent pieces arising from the rules of the plan. The amounts paid by the District for continued health care for all classifications that are entitled to a benefit are briefly outlined below. A full description of the eligibilities and benefits for eligible classifications can be found in the OPEB Technical Appendix.

A. Administrators and Administrative Support Staff:

Hired Prior to April 1, 2010: At least age 55 with a minimum of 6 years of service in the District OR an employee that has to retire before reaching age 55 due to a serious health condition that qualifies for WRS Disability retirement:

The District shall make contributions into a post-employment HRA towards a retiree's health and dental premiums for a maximum period of 10 years or Medicare-eligibility; whichever occurs first. The amount of these contributions is determined by years of service ranging from 10% of premiums contributed with 6 years of service to 100% of premiums contributed with 15 or more years of service. These funds may be used to continue coverage on the District's health and dental plan if permitted by the carrier until exhaustion. Funds are paid out semi-annually on January 15 and September 15.

The District will contribute towards the retiree's life insurance premiums for a period of 10 years not to exceed Medicare-eligibility. The amount of these contributions will be equal to the premium rate in effect during the retiree's last year of employment.

B. Teachers:

Hired Prior to April 1, 2008: At least age 55 with a minimum of 1 year of service in the District OR an employee that has to retire before reaching age 55 due to a serious health condition that qualifies for WRS Disability retirement:

Upon retirement, the District shall make contributions into an HRA on behalf of the retiree. The total amount of these contributions shall be based upon years of service, unused sick leave accumulated upon retirement, and salary step placement. The total HRA contribution amount will be divided into 8 equal payments that will be contributed twice annually - every September 15th and January 15th.

Hired on or after April 1, 2008: At least age 55 with a minimum of 1 years of service in the District OR an employee that has to retire before reaching age 55 due to a serious health condition that qualifies for WRS Disability retirement:

Upon retirement, the District shall make contributions into an HRA on behalf of the retiree. The total amount of these contributions shall be based upon unused sick leave accumulated upon retirement and salary step placement. Payments shall occur on September 15th and January 15th following the effective date of the employee's retirement.

C. Maintenance and Custodians, Classified Staff, Administrative Assistants & Other Hourly Staff: At least age 55 with a minimum of 1 year of service in the District OR an employee that has to retire before reaching age 55 due to a serious health condition that qualifies for WRS Disability retirement:

For any retirement occurring after June 8, 2022, eligible staff shall receive a contribution to their HRA of \$500 per year of service to the District. Payment shall be a one-time payment that will occur on either September 15th or January 15th following the effective date of the employee's retirement. These monies may be used for continued coverage on the District's group health plan.

Note: Further details of any of the HRA contributions noted above can be found in the OPEB Technical Appendix

Implicit Rate Subsidy

Implicit rate subsidy, or “IRS” for short, is the difference between individuals’ actual incurred costs for health coverage (i.e., incurred medical and Rx claims paid by the insurer, in the case of a fully-insured health plan) and the individuals’ total premiums charged for such coverage. In essence, premium rates are determined for a group health plan based on the total expected health care costs of all participants covered in the group. While each participant is then charged the same premium rate, not every participant will experience the same level of actual health care costs. Since some participants will have higher health care costs than others while paying the same premium rate, some of their health care costs are being “subsidized” by the premiums paid by others with lower health care costs. It is expected that older plan participants, such as retirees, will be the participants with higher health care costs.

For OPEB valuations, the GASB guidelines require that the determined liabilities be based on the total value of the post-employment benefits, which includes implicit rate subsidy for former employees remaining on the District’s group health plan(s). Note that the implicit rate subsidy is only calculated when former employees are enrolled in the District’s health plan(s). Per guidance provided by Actuarial Standard of Practice No. 6, the implicit rate subsidy resulting from retirees participating in the District’s dental plan would typically be considered immaterial.

Furthermore, when an individual becomes Medicare-eligible and Medicare is the primary payer, premium rates of the District’s group Medicare coverage (e.g., supplemental Medicare coverage or a Medicare Advantage plan), if offered, are usually adjusted such that these adjusted rates represent the expected cost of coverage. Thus, the resulting implicit rate subsidy would be considered immaterial and would not be calculated. However, in some cases, the expected cost of coverage for this group of retirees may materially exceed the adjusted rates, in which case implicit rate subsidy would be determined. Another exception where implicit rate subsidy may not be applied would be if the District’s retirees are pooled and rated separately from the District’s active employees. In this situation, the premium rates charged to retirees should reflect the expected claims costs on behalf of only the retirees and as a result, there would be no implicit rate subsidy to value.

Other District-Provided Post-Employment Benefits

Actively-Funded Benefit

Upon completion of each school year, the District shall make an annual contribution into a post-employment HRA on behalf of eligible employees. The amount of these contributions is determined by number of contract days based on classification and date of hire as described in detail in the Technical Appendix. This benefit is funded into an irrevocable account identified by individual. Thus, the benefit is considered to be accounted for as an actively-funded benefit and was not included in the post-employment valuation.

Sick Leave Benefit

For eligible Teachers, Maintenance, Custodians, Classified Staff and Administrative Assistants, unused sick leave accumulated upon retirement, up to the maximum of 120 days, will be converted at the rate of up to \$95 per day (\$120 for Maintenance, Custodians, Classified Staff & Administrative Assistants) and placed into a post-employment HRA. These monies may be used for continued coverage on the District's group health plan. For eligible Administrators and Administrative Support Staff, unused vacation leave accumulated upon retirement, up to the maximum of 60 days, will be paid out in cash at the employees' last year's per diem wage rate.

According to GASB guidelines, only the implicit rate subsidy incurred from use of the converted sick leave monies towards continued health coverage is considered and should be account for as an OPEB. The sick days themselves, whether paid out in cash or applied towards continued medical coverage are considered termination payments and should be accounted for as a compensated absence under GASB Statement 16.

The implicit rate subsidy incurred on behalf of those assumed to use their accumulated sick leave dollars toward continued coverage on the District's group health plan, as described in the Key Actuarial Methods and Assumptions section below, was calculated and included in this valuation.

Termination Benefit

The District offered eligible Teachers a one-time early retirement benefit of \$38,000 into an HRA if notice of retirement was provided by February 28, 2022. Eligible Teachers must retire at the conclusion of the 2021/22 school year. The HRA contribution is provided after retirement in the same manner as noted above in the OPEB benefits above.

13 Teachers took this one-time offer (4 are receiving pro-rated benefits). The District does not currently plan to offer this again in the near future; it was a one-time offer. Per correspondence with the District's auditor, this benefit will be accounted for as a termination benefit and was not included in this valuation.

Actuarially Determined Contribution (ADC)

While OPEB benefits are not currently required to be funded, an ADC is provided within this report since the District utilizes an irrevocable trust to fund their benefits. The ADC represents a targeted or recommended contribution for funding the benefit over a specific period of time.

This valuation is based upon a measurement period that is the same as the reporting period. The ADC shown in Table VII was determined in the prior valuation using a 30-year amortization period and the level percent amortization method.

An amortization schedule is provided based upon the District's Net OPEB Liability measured as of June 30, 2022, so that the District is able to direct the amortization period and method to use in future reporting periods ending June 30, 2023 and June 30, 2024.

The following are two amortization methods available for selection by the District which are presented in the ADC Options schedule provided:

Level Dollar Amortization Method – The amount to be amortized is divided into equal dollar amounts to be paid over a given number of years; part of each payment is interest and part is principal (similar to a mortgage payment on a building). Since payroll can be expected to increase as a result of inflation, level dollar payments generally represent a decreasing percentage of the payroll over time.

Level Percent Amortization Method – Amortization payments are calculated so that they increase at a constant percentage over a given number of years. The dollar amount of the payments generally will increase over time due to inflation; however, the percentage increases in these payments can be expected to remain level.

Summary of Valuation Results

District OPEB Liability

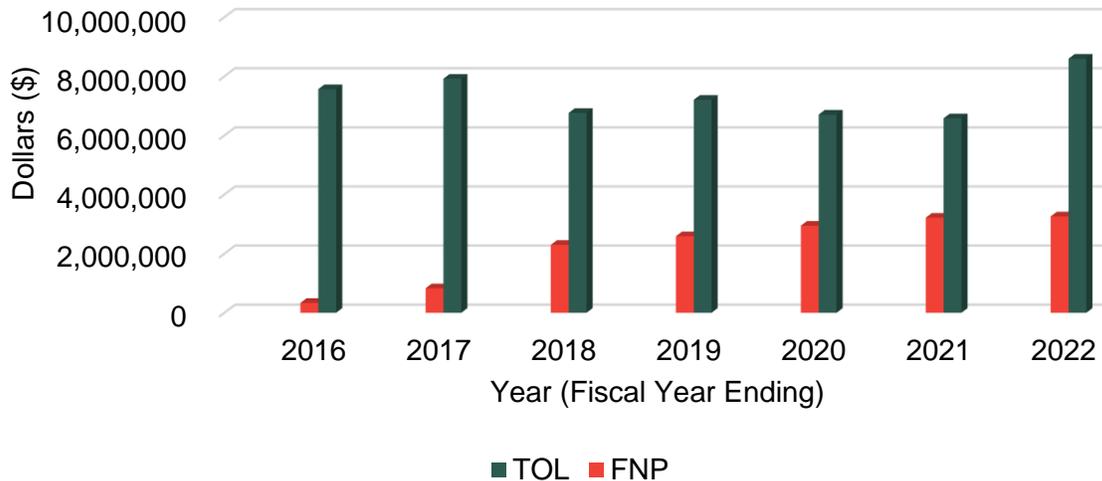
Based upon actuarial assumptions and projections described herein, as well as the census and benefit data provided by the District, the Total OPEB Liability, Fiduciary Net Position and Net OPEB Liability measured as of June 30, 2022, are as follows:

Total OPEB Liability (TOL)	\$ 8,595,623
Fiduciary Net Position (FNP)	\$ 3,259,487
Net OPEB Liability (NOL)	\$ 5,336,136

Detailed calculations for the above results can be found in the OPEB Tables.

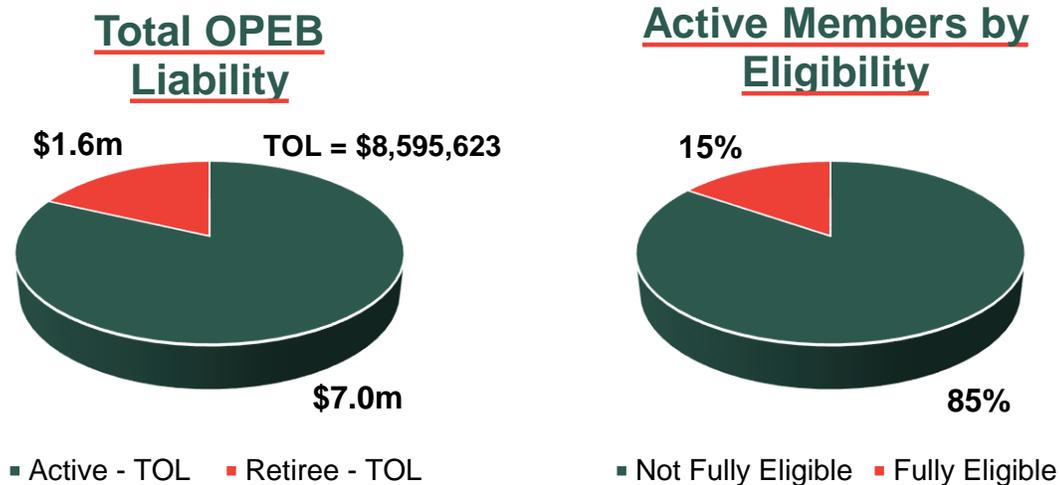
GASB 75 includes certain Required Supplementary Information (RSI) disclosure requirements including a 10-year schedule presenting, in part, a history of the Total OPEB Liability, the plan’s Fiduciary Net Position and Net OPEB Liability (see OPEB Table IV in the table section of the report). The chart below visually summarizes the comparison of the District’s Total OPEB Liability and Fiduciary Net Position since implementation of these new guidelines:

History of Total OPEB Liability (TOL) & Fiduciary Net Position (FNP)



Note: For additional details, see OPEB Table IV

The charts below show a breakdown of the District’s Total OPEB Liability between actives and retirees measured as of June 30, 2022, in addition to a comparison of the current eligibility status of all active plan participants as of the valuation date:



Deferred Inflow and Outflow of Resources

The Plan's benefit terms have changed since the prior valuation, therefore a change in benefit terms was calculated causing an increase in the Total OPEB Liability. Specifically, the years of service eligibility for Teachers as well as Maintenance/Custodian, Classified Staff, Administrative Assistants, and Other Hourly Staff was updated to be only 1 full year of service in the District (previously noted as needing 15 years of service). Further, the District added a retirement HRA contribution for Maintenance/Custodian, Classified Staff, Administrative Assistants, and Other Hourly Staff in the amount of \$500 per year of service.

Differences between expected and actual experience resulted in an increase in the Total OPEB Liability. Changes of assumptions or other inputs also resulted in an increase in the Total OPEB Liability. These changes included updated WRS demographic and economic assumptions, revised medical and dental trends, retiree participation assumption changes, an addition of a base salary increase assumption and the assumed number of dependents coverage under family coverage used in calculating the expected per capita claims costs. The increase in deferred outflow of resources from these two sources is to be recognized over the average of the expected remaining service lives of active and inactive plan members. The Plan has an average expected remaining service life of 11 years.

The net difference between projected and actual earnings on OPEB plan investments resulted in an actuarial loss due to earnings being less than expected. This loss is to be recognized as an outflow of resources over a 5-year period.

Amounts reported as deferred inflows and outflows will be recognized in the OPEB expense according to Table V.

Trust Assets

Please note that the trust assets shown as the Fiduciary Net Position in the prior sections and also in the exhibits accompanying this report only include those trust assets specifically earmarked for the OPEB plan that is valued and included in this valuation. According to the information provided by the District, there are other benefit plans funded through the same trust. The following is a breakdown of the District's trust balance by each benefit plan as of June 30, 2022:

Benefit Plan	Balance as of June 30, 2022
OPEB	\$1,790,257
HRA - Retirement	\$1,469,230
HRA - Actively-Funded	\$4,630,279
Total	\$7,889,766

KBC has not reviewed nor verified that the trust assets for each respective benefit plan are appropriately funded or meet the conditions set forth in the funding policy, if applicable. The above figures are only a reflection of our understanding based on the information provided by the District for this valuation.

Key Actuarial Methods and Assumptions

The valuation was based upon the data provided by the District. In performing this study, we utilized the premium rate history of the District's health plan as well as the trends used in the prior valuation and projected a stream of expected premium rates for each year in the future based on the data as of June 30, 2022.

The assumed initial annual health care trend rates are based in part on the 2022 Segal Health Plan Cost Trend Survey. Rates are trended down in subsequent years in accordance with prevalent actuarial practice, based in part on the Society of Actuaries - Getzen Long-Term Health Care Cost Trends Model, as updated October 2020.

An initial draft report was provided which included a first year assumed health care trend taking into account the premium freeze that had been in effect for the prior 5 plan years. The approach used was similar to that of prior valuations with an assumed first year increase of 20.45%, occurring after the end of the premium freeze agreement between the District and carrier. After reviewing the draft report with the District and receiving additional information, the first year assumed health care trend was adjusted down to 8.90%, the 7/1/2023 renewal rate cap currently in place.

GASB guidelines require that actuarial valuations of OPEB benefits use the entry-age normal actuarial method. Therefore, this valuation was performed using the entry-age normal actuarial method.

The valuation date and measurement date are June 30, 2022. This valuation is eligible for reporting periods ending June 30, 2022, and June 30, 2023, though the accompanying exhibits are only valid for the reporting period ending June 30, 2022.

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

Of active employees eligible for a District-provided OPEB benefit and currently electing coverage under the District's group health plan, 70% are assumed to continue to elect coverage in retirement. Upon exhaustion of their District-provided benefit, 30% are assumed to self-pay their medical premiums to remain on the District's plan until becoming Medicare eligible.

Of active employees not eligible for a District-provided OPEB benefit and currently electing coverage under the District's plan, 30% are assumed to elect coverage in retirement until becoming Medicare eligible. The resulting liability on behalf of the above assumptions was calculated and included in this valuation.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the Total OPEB liability.

Waunakee Community School District
GASB 75 – Valuation Report and Disclosures

A discount rate of 2.25% was used in calculating the District's OPEB liabilities (based upon all projected payments discounted at a long-term rate of return of 2.25%). Implicit in this rate is a 2.50% assumed rate of inflation.

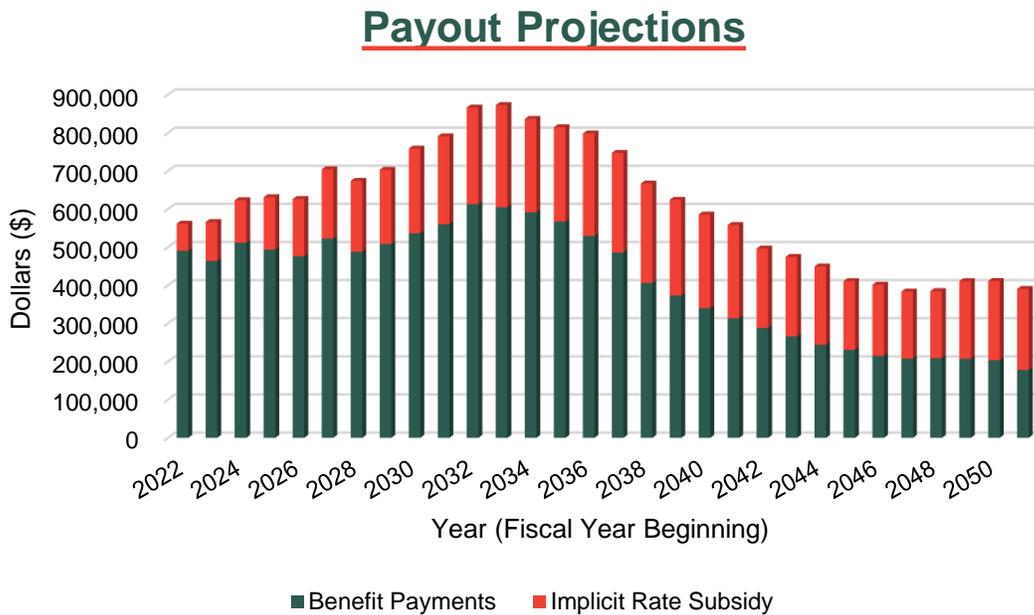
Included at the end of the report is the OPEB Technical Appendix, which discloses a full description of the assumptions noted above as well as all other assumptions used in this valuation.

Pay-As-You-Go (Table IX)

GASB requires all public entities to identify and include their post-employment liability in their financial statements. However, at this time GASB does not require any public entity to fund this liability. Since many districts currently provide post-employment benefits on a pay-as-you-go basis, we have included OPEB Table IX. This table illustrates, based upon the assumptions used in this valuation, the District’s annual liability for retiree OPEB benefits on a pay-as-you-go basis.

The projections illustrated in OPEB Table IX are for illustrative purposes and pertain only to the liabilities incurred from those eligible active and retired employees of the District as of June 30, 2022. In other words, it is based upon a closed valuation, such that no new hires are assumed to replace those future retirees expected to receive benefits as noted. The valuation is based upon numerous assumptions as detailed in the technical appendix. Due to these assumptions, the likelihood of actual costs equaling the stated projections decreases for each year projecting further into the future.

The chart below shows a projection of expected District benefit payments over the next 30 years:



Note: For additional details, see OPEB Table IX

OPEB Tables

OPEB Table I

Waunakee Community School District
Projection of Total OPEB Liability

57

		Discount Rate		
		1.25%	2.25%	3.25%
Total OPEB Liability	6/30/2021	\$ 6,931,914	\$ 6,578,811	\$ 6,237,159
Service Cost		382,302	328,636	281,620
Interest		87,409	148,788	203,048
Benefit Payments		(260,684)	(260,684)	(260,684)
Changes of benefit terms		427,460	413,577	399,829
Differences between expected and actual experience		107,488	85,524	63,530
Changes of assumptions or other input		1,414,911	1,300,971	1,192,926
Total OPEB Liability	6/30/2022	\$ 9,090,800	\$ 8,595,623	\$ 8,117,428

OPEB Table II

Waunakee Community School District
Change in Net OPEB Liability

58

	Increase (Decrease)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 6/30/2021	\$ 6,578,811	\$ 3,216,347	\$ 3,362,464
Changes for the year:			
Service Cost	328,636		328,636
Interest	148,788		148,788
Changes of benefit terms	413,577		413,577
Differences between expected and actual experience	85,524		85,524
Changes of assumptions or other input	1,300,971		1,300,971
Contributions - Employer		331,201	(331,201)
Net Investment Income		50,184	(50,184)
Benefit Payments	(260,684)	(260,684)	-
Administrative Expense		-	-
Adjustment		(77,561)	77,561
Net Changes	2,016,812	43,140	1,973,672
Balances at 6/30/2022	\$ 8,595,623	\$ 3,259,487	\$ 5,336,136

OPEB Table III

Waunakee Community School District
Sensitivity of Net OPEB Liability to Changes in Discount Rate

59

	1% Decrease 1.25%	Current Discount Rate 2.25%	1% Increase 3.25%
Total OPEB Liability	\$ 9,090,800	\$ 8,595,623	\$ 8,117,428
Fiduciary Net Position	3,259,487	3,259,487	3,259,487
Net OPEB Liability	6/30/2022 \$ 5,831,313	6/30/2022 \$ 5,336,136	6/30/2022 \$ 4,857,941

Sensitivity of Net OPEB Liability to Changes in Healthcare Cost Trend Rates

	1% Decrease (7.90% in Year 1, then 5.5% decreasing to 3.5%)	Health Care Cost Trend Rates (8.90% in Year 1, then 6.5% decreasing to 4.5%)	1% Increase (9.90% in Year 1, then 7.5% decreasing to 5.5%)
Total OPEB Liability	\$ 7,718,513	\$ 8,595,623	\$ 9,603,423
Fiduciary Net Position	3,259,487	3,259,487	3,259,487
Net OPEB Liability	6/30/2022 \$ 4,459,026	6/30/2022 \$ 5,336,136	6/30/2022 \$ 6,343,936

OPEB Table IV

Waunakee Community School District
Schedule of Changes in Net OPEB Liability and Related Ra

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<u>Total OPEB Liability</u>			
Service Cost	\$ 328,636	\$ 321,404	\$ 431,620
Interest	148,788	147,771	254,740
Changes of benefit terms	413,577	-	- ⁶⁰
Differences between expected and actual experience	85,524	-	(899,814)
Changes of assumptions or other input	1,300,971	-	(2,933)
Benefit Payments	(260,684)	(594,519)	(283,885)
Net change in Total OPEB Liability	\$ 2,016,812	\$ (125,344)	\$ (500,272)
Total OPEB Liability - Beginning	6,578,811	6,704,155	7,204,427
Total OPEB Liability - Ending (a)	<u>\$ 8,595,623</u>	<u>\$ 6,578,811</u>	<u>\$ 6,704,155</u>
<u>Fiduciary Net Position</u>			
Contributions - Employer	\$ 331,201	\$ 489,885	\$ 587,108
Net Investment Income	50,184	376,591	50,452
Benefit Payments	(260,684)	(594,519)	(283,885)
Administrative Expense	-	-	-
Adjustment	(77,561)	-	-
Net change in Fiduciary Net Position	\$ 43,140	\$ 271,957	\$ 353,675
Fiduciary Net Position - Beginning	3,216,347	2,944,390	2,590,715
Fiduciary Net Position - Ending (b)	<u>\$ 3,259,487</u>	<u>\$ 3,216,347</u>	<u>\$ 2,944,390</u>
<u>Net OPEB Liability</u>			
Net OPEB Liability -- Ending (a) - (b)	<u>\$ 5,336,136</u>	<u>\$ 3,362,464</u>	<u>\$ 3,759,765</u>
Fiduciary Net Position as a percentage of the Total OPEB Liability	37.92%	48.89%	43.92%
Covered-Employee Payroll	\$ 29,404,464	\$ 29,189,262	\$ 29,189,262
Net OPEB Liability as a percentage of Covered-Employee Payroll	18.15%	11.52%	12.88%

tios

Fiscal Year Ending			
2019	2018	2017	2016
\$ 400,957	\$ 600,092	\$ 582,614	\$ 549,170
254,812	242,874	237,452	225,676
-	-	-	-
-	194,262	(365,688)	(5,292)
119,726	(1,950,182)	-	-
(331,177)	(245,382)	(102,465)	(352,833)
\$ 444,318	\$ (1,158,336)	\$ 351,913	\$ 416,721
6,760,109	7,918,445	7,566,532	7,149,811
\$ 7,204,427	\$ 6,760,109	\$ 7,918,445	\$ 7,566,532
\$ 587,220	\$ 564,841	\$ 589,384	\$ 508,468
37,175	12,416	8,322	5,441
(331,177)	(245,382)	(102,465)	(352,833)
-	-	-	-
-	1,136,646	-	-
\$ 293,218	\$ 1,468,521	\$ 495,241	\$ 161,076
2,297,497	828,976	333,735	172,659
\$ 2,590,715	\$ 2,297,497	\$ 828,976	\$ 333,735
\$ 4,613,712	\$ 4,462,612	\$ 7,089,469	\$ 7,232,797
35.96%	33.99%	10.47%	4.41%
\$ 26,556,897	\$ 26,556,897	\$ 25,638,082	\$ 23,967,500
17.37%	16.80%	27.65%	30.18%

61

OPEB Table V

Waunakee Community School District
Schedule of Collective Deferred Inflows and Outflows

62

Gain/Loss	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 174,881	\$ 719,752
Changes of assumptions or other input	1,254,535	977,224
Net difference between projected and actual earnings on OPEB plan investments	-	139,560
Total	<u>\$ 1,429,416</u>	<u>\$ 1,836,536</u>

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

Year ended June 30:	
2023	\$ (207,798)
2024	(183,276)
2025	(177,350)
2026	(115,045)
2027	(119,642)
Thereafter	395,991

OPEB Table VI

Waunakee Community School District
Calculation of Collective OPEB Expense

Change in Net OPEB Liability	\$	1,973,672	
(Increase)/Decrease in Deferred Outflows		(1,229,051)	
Increase/(Decrease) in Deferred Inflows		(385,280)	
Contributions - Employer		331,201	
		331,201	
OPEB Expense	\$	690,542	
<hr style="border: 1px solid black;"/>			
Operating Expenses			
Service Cost	\$	328,636	
Administrative Expenses		-	
		-	
Total (a)	\$	328,636	
Financing Expenses			
Interest	\$	148,788	
Expected return on assets		(73,161)	
		(73,161)	
Total (b)	\$	75,627	
Changes			
Adjustment	\$	77,561	
Benefit changes		413,577	
Recognition of assumption changes		(65,042)	
Recognition of experience gains and losses		(105,419)	
Recognition of investment gains and losses		(34,398)	
		(34,398)	
Total (c)	\$	286,279	
OPEB Expense (a + b + c)	\$	690,542	
OPEB Expense as % of Payroll		2.35%	

63

OPEB Table VII
 Waunakee Community School Dist
 Schedule of Employer Contributions
 Last 10 Fiscal Years

64

	2022	2021	2020
Actuarially Determined Contribution (ADC)	\$ 456,976	\$ 443,666	\$ 587,108
Contributions in Relation to the ADC	331,201	489,885	587,108
Contribution Deficiency/(Excess)	\$ 125,775	\$ (46,219)	\$ -
Covered-Employee Payroll	\$ 29,404,464	\$ 29,189,262	\$ 29,189,262
Contributions as a percentage of Covered-Employee Payroll	1.13%	1.68%	2.01%

Key Methods and Assumption Used to Calculate ADC

Actuarial cost method	Entry Age Normal	Entry Age
Asset valuation method	Market Value	Market
Amortization method	30 year Level %	30 year Level %
Discount rate	2.25%	3.75%
Amortization growth rate	3.00%	3.00%
Inflation	2.00%	2.50%
Valuation Date	June 30, 2020	June 30

riect

65

Fiscal Year Ending			
2019	2018	2017	2016
\$ 666,290	\$ 816,351	\$ 816,351	\$ 516,717
587,220	564,841	102,465	508,468
\$ 79,070	\$ 251,510	\$ 713,886	\$ 8,249
\$ 26,556,897	\$ 26,556,897	\$ 25,638,082	\$ 23,967,500
2.21%	2.13%	0.40%	2.12%

Normal Value	Entry Age Normal Market Value	Entry Age Normal Market Value
30 year Level \$	N/A	N/A
5%	3.00%	3.00%
N/A	N/A	N/A
3%	3.00%	3.00%
), 2018	June 30, 2016	

OPEB Table VIII

Waunakee Community School District

The major assumptions and methods used in this valuation are as follows:

1	Valuation Date	June 30, 2022	
2	Measurement Date	June 30, 2022	
3	Reporting Date	June 30, 2022	
4	Actuarial Cost Method	Entry Age Normal (level percent of salary)	
5	Health Care Trend	8.90% decreasing to 6.50%, then decreasing by 0.10% per year down to 4.50%, and level thereafter	
6	Discount Rate*	2.25% (based upon all years of projected payments discounted at a 2.25% long-term expected rate of return)	
7	Actuarial Assumptions	Based on an experience study conducted in 2021 using Wisconsin Retirement System (WRS) experience from 2018-20	
8	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%

66

OPEB Table IX

Waunakee Community School District
Pay As You Go
Projection of OPEB (30 Year Projection)

A	B	C	D	E	F
Fiscal Year Beginning	Retiree Plan Premiums	District Benefit Payments	District OPEB Liability (C + E)	Implicit Rate Subsidy	Cost → Value
2022	\$ 275,942	\$ 490,788	\$ 561,535	\$ 70,748	1.2564
2023	374,071	464,070	565,639	101,569	1.2715
2024	424,809	511,528	623,008	111,480	1.2624
2025	519,753	493,356	630,854	137,498	1.2645
2026	576,404	476,115	626,105	149,991	1.2602
2027	690,169	522,573	704,117	181,544	
2028	711,486	488,318	673,856	185,538	
2029	755,447	508,651	703,007	194,356	
2030	832,674	536,256	758,428	222,172	
2031	860,591	560,100	790,720	230,620	
2032	948,901	612,792	866,035	253,243	
2033	994,874	604,808	872,530	267,723	
2034	930,693	591,358	836,398	245,041	
2035	923,735	567,477	814,491	247,014	
2036	963,679	529,805	798,028	268,223	
2037	950,589	485,602	747,203	261,601	
2038	921,388	406,168	666,844	260,676	
2039	865,068	373,383	624,178	250,795	
2040	847,042	340,078	585,526	245,447	
2041	841,414	313,482	557,924	244,442	
2042	726,015	288,522	496,272	207,750	
2043	727,107	265,837	474,398	208,561	
2044	701,592	244,178	449,459	205,281	
2045	636,605	230,857	410,772	179,915	
2046	650,485	215,093	401,414	186,321	
2047	596,823	207,933	383,517	175,584	
2048	626,561	209,077	384,770	175,693	
2049	713,171	207,161	410,774	203,613	
2050	725,767	203,434	411,176	207,742	
2051	722,935	178,051	390,419	212,368	

OPEB Table X

Waunakee Community School District
Active Employees as of June 30, 2022

Age	Years of Service								Total
	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 or more	
Under 20	-	-	-	-	-	-	-	-	-
20 - 24	11	-	-	-	-	-	-	-	11
25 - 29	40	3	-	-	-	-	-	-	43
30 - 34	34	26	1	1	-	-	-	-	62
35 - 39	24	12	11	4	-	-	-	-	51
40 - 44	31	21	18	11	3	-	-	-	84
45 - 49	38	20	16	13	20	6	1	-	114
50 - 54	19	22	23	16	17	14	-	-	111
55 - 59	9	12	9	6	10	12	7	-	65
60 - 64	6	5	2	3	3	5	2	2	28
65 and over	2	4	3	-	1	-	1	2	13
Total	214	125	83	54	54	37	11	4	582

68

Averages:
Age: 45.3
Service: 10.1

OPEB Table XI

Waunakee Community School District
 All Members by Medical Coverage as of June 30, 2022

	Actives					Retirees			
	Single	Family	Waived	None	Total	Single	Family	Waived	Total
<i>Administration</i>	2	17	4	-	23	-	2	2	4
<i>Administrative Assistant</i>	4	20	3	3	30	2	-	3	5
<i>Administrative Support Staff</i>	7	17	2	1	27	-	1	-	1
<i>Classified Staff</i>	16	30	30	40	116	5	-	7	12
<i>Custodian/Maintenance</i>	7	19	9	2	37	1	-	1	2
<i>Teachers</i>	62	196	91	-	349	15	10	21	46
Totals	98	299	139	46	582	23	13	34	70

Note: Retirees listed as 'Waived' are receiving HRA contributions from the District and using them towards eligible expenses not affiliated with the District's group health plan.

OPEB Table XII

Waunakee Community School District
Members by Eligibility as of June 30, 2022

70

	Actives			Retirees
	Fully Eligible	Not Fully Eligible	Total Eligible	Total Eligible
<i>Administration</i>	1	18	19	4
<i>Administrative Assistant</i>	11	13	24	5
<i>Administrative Support Staff</i>	3	21	24	1
<i>Classified Staff</i>	13	33	46	12
<i>Custodian/Maintenance</i>	12	14	26	2
<i>Teachers</i>	35	314	349	46
Totals	75	413	488	70

Full Eligibility is met if, as of June 30, 2022 , the member has met the age and service requirements as stated in the plan provisions.

Note: Only those members who are assumed to receive an OPEB are included in the counts above. In addition, Teachers currently noted as waived are eligible for HRA contributions in retirement.

OPEB - Addendum Table I

Waunakee Community School District
Differences Between Expected and Actual Experience - History of Deferred Inflows and Outflows

71

FYB	(Gain)/Loss	Amortization Period	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015	(5,292)	7.30	-	(725)	-	-	-	-	-	(725)	(217)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016	(365,688)	7.30	-	-	(50,094)	(50,094)	(50,094)	(50,094)	(50,094)	(50,094)	(50,094)	(15,030)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2017	194,262	10.00	-	-	-	19,426	19,426	19,426	19,426	19,426	19,426	19,426	19,426	19,426	19,428	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	10.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019	(899,814)	11.00	-	-	-	-	-	(81,801)	(81,801)	(81,801)	(81,801)	(81,801)	(81,801)	(81,801)	(81,801)	(81,801)	(81,801)	(81,804)	-	-	-	-	-	-	-	-	-	-	-
2020	-	11.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021	85,524	11.00	-	-	-	-	-	-	-	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,774	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			-	(725)	(50,819)	(31,393)	(31,393)	(113,194)	(113,194)	(105,419)	(104,911)	(69,630)	(54,600)	(54,600)	(54,598)	(74,026)	(74,026)	(74,029)	7,775	7,774	-	-	-	-	-	-	-	-	-

OPEB - Addendum Table II

Waunakee Community School District
Changes of Assumptions or Other Input - History of Deferred Inflows and Outflows

72

FYB	(Gain)/Loss	Amortization Period																										
			2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015	-	7.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	7.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2017	(1,950,182)	10.00	-	-	-	(195,018)	(195,018)	(195,018)	(195,018)	(195,018)	(195,018)	(195,018)	(195,018)	(195,020)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2018	119,726	10.00	-	-	-	-	11,973	11,973	11,973	11,973	11,973	11,973	11,973	11,973	11,969	-	-	-	-	-	-	-	-	-	-	-	-	-
2019	(2,933)	11.00	-	-	-	-	-	(267)	(267)	(267)	(267)	(267)	(267)	(267)	(267)	(267)	(263)	-	-	-	-	-	-	-	-	-	-	-
2020	-	11.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021	1,300,971	11.00	-	-	-	-	-	-	118,270	118,270	118,270	118,270	118,270	118,270	118,270	118,270	118,270	118,270	118,270	118,271	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			-	-	-	(195,018)	(183,045)	(183,312)	(183,312)	(65,042)	(65,042)	(65,042)	(65,042)	(65,044)	129,972	118,003	118,007	118,270	118,271	-	-	-	-	-	-	-	-	-

OPEB - Addendum Table III

Waunakee Community School District
 Difference Between Projected and Actual Earnings on OPEB Plan Investments - History of Deferred Inflows and Outflows

73

FYB	(Gain)/Loss	Amortization Period	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
2014	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016	(5,332)	5.0	-	-	(1,066)	(1,066)	(1,066)	(1,066)	(1,068)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2017	17,245	5.0	-	-	-	3,449	3,449	3,449	3,449	3,449	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2018	53,782	5.0	-	-	-	-	10,756	10,756	10,756	10,756	10,758	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019	45,529	5.0	-	-	-	-	-	9,106	9,106	9,106	9,106	9,105	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020	(311,519)	5.0	-	-	-	-	-	-	(62,304)	(62,304)	(62,304)	(62,304)	(62,303)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021	22,977	5.0	-	-	-	-	-	-	-	4,595	4,595	4,595	4,597	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2024	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2025	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2026	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2027	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2028	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2029	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2030	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2031	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2032	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2033	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2034	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2035	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2036	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2037	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2038	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2039	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2040	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			-	-	(1,066)	2,383	13,139	22,245	(40,061)	(34,398)	(37,845)	(48,604)	(57,708)	4,597	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

OPEB Technical Appendix

Waunakee Community School District

Summary of Post-Employment Benefits

Administrators and Administrative Support Staff

Hired Prior to April 1, 2010																							
Eligibility	OPEB																						
<p>At least age 55 with a minimum of 6 years of service in the District</p> <p>OR</p> <p>An employee that has to retire before reaching age 55 due to a serious health condition that qualifies for WRS Disability retirement</p> <p>Note: No more than 2 Administrators may retire in one year.</p>	<p><u>Health & Dental Insurance:</u> The District shall make contributions into a post-employment HRA towards a retiree's health and dental premiums (at the lowest cost family health and dental plan in effect on the Administrator's date of retirement) for a maximum period of 10 years or Medicare-eligibility; whichever occurs first. The amount of these contributions is determined by years of service as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Years of Service</th> <th style="text-align: center;">% of Premiums Contributed</th> </tr> </thead> <tbody> <tr><td style="text-align: center;">6</td><td style="text-align: center;">10%</td></tr> <tr><td style="text-align: center;">7</td><td style="text-align: center;">20%</td></tr> <tr><td style="text-align: center;">8</td><td style="text-align: center;">30%</td></tr> <tr><td style="text-align: center;">9</td><td style="text-align: center;">40%</td></tr> <tr><td style="text-align: center;">10</td><td style="text-align: center;">50%</td></tr> <tr><td style="text-align: center;">11</td><td style="text-align: center;">60%</td></tr> <tr><td style="text-align: center;">12</td><td style="text-align: center;">70%</td></tr> <tr><td style="text-align: center;">13</td><td style="text-align: center;">80%</td></tr> <tr><td style="text-align: center;">14</td><td style="text-align: center;">90%</td></tr> <tr><td style="text-align: center;">15 or more</td><td style="text-align: center;">100%</td></tr> </tbody> </table> <p>These funds may be used to continue coverage on the District's health and dental plan if permitted by the carrier until exhaustion. Funds are paid out semi-annually on January 15 and September 15.</p> <p>In the event that of a retiree's death, any remaining benefit, will be provided to the surviving spouse and/or dependents. Such benefits are subject to the term and conditions of the HRA plan and applicable Internal Revenues Service Code and rules.</p> <p><u>Life Insurance:</u> The District will contribute towards the retiree's life insurance premiums for a period of 10 years not to exceed Medicare-eligibility. The amount of these contributions will be equal to the premium rate in effect during the retiree's last year of employment.</p> <p style="text-align: center;">Non-OPEB - Compensated Absence</p> <p><u>Vacation Leave:</u> Unused banked vacation leave accumulated upon retirement, up to the maximum of 60 days, will be converted to a one-time cash payment based upon last year's per diem wage rate. In addition, eligible retirees are entitled to payment of their last year's unused vacation days.</p> <p><i>This is not an OPEB benefit, but a compensated absence under GASB 16 and will not be included in the valuation.</i></p>	Years of Service	% of Premiums Contributed	6	10%	7	20%	8	30%	9	40%	10	50%	11	60%	12	70%	13	80%	14	90%	15 or more	100%
Years of Service	% of Premiums Contributed																						
6	10%																						
7	20%																						
8	30%																						
9	40%																						
10	50%																						
11	60%																						
12	70%																						
13	80%																						
14	90%																						
15 or more	100%																						

Administrators and Administrative Support Staff Cont'd

Hired On or After April 1, 2010																																													
Eligibility	Actively Funded Benefit																																												
Funded during active years of service	<p><u>HRA Contributions</u>: Upon completion of each school year the District shall make an annual contribution into a post-employment HRA. The amount of these contributions is determined by number of contract days based on classification as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="background-color: #d9ead3;">Days of Contract</th> <th style="background-color: #d9ead3;">Amount of Contributions</th> </tr> </thead> <tbody> <tr> <td colspan="2" style="text-align: center; background-color: #d9ead3;">Administrators</td> </tr> <tr> <td>210 days</td> <td>\$ 3,220</td> </tr> <tr> <td>238 days</td> <td>\$ 3,650</td> </tr> <tr> <td>261 days</td> <td>\$ 4,000</td> </tr> <tr> <td colspan="2" style="text-align: center; background-color: #d9ead3;">Administrative Support Staff</td> </tr> <tr> <td>Student Day Contracts</td> <td>\$ 2,790</td> </tr> <tr> <td>200 days</td> <td>\$3,065</td> </tr> <tr> <td>210 days</td> <td>\$3,220</td> </tr> <tr> <td>238 days</td> <td>\$3,650</td> </tr> <tr> <td>261 days</td> <td>\$4,000</td> </tr> </tbody> </table> <p><i>* Contributions shall be pro-rated for FTE's less than 100% and for contracts of less than 238 days.</i></p> <p>These funds may be used to continue coverage on the District's health and dental plan if permitted by the carrier until exhaustion.</p> <p>In the event that of a retiree's death, any remaining benefit, will be provided to the surviving spouse and/or dependents. Such benefits are subject to the term and conditions of the HRA plan and applicable Internal Revenues Service Code and rules.</p> <p>Vesting Schedule:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="background-color: #d9ead3;">Years of Service</th> <th style="background-color: #d9ead3;">Vested Amount</th> </tr> </thead> <tbody> <tr><td>After 1 year</td><td>10%</td></tr> <tr><td>After 2 years</td><td>20%</td></tr> <tr><td>After 3 years</td><td>30%</td></tr> <tr><td>After 4 years</td><td>40%</td></tr> <tr><td>After 5 years</td><td>50%</td></tr> <tr><td>After 6 years</td><td>60%</td></tr> <tr><td>After 7 years</td><td>70%</td></tr> <tr><td>After 8 years</td><td>80%</td></tr> <tr><td>After 9 years</td><td>90%</td></tr> <tr><td>After 10 years</td><td>100%</td></tr> </tbody> </table>	Days of Contract	Amount of Contributions	Administrators		210 days	\$ 3,220	238 days	\$ 3,650	261 days	\$ 4,000	Administrative Support Staff		Student Day Contracts	\$ 2,790	200 days	\$3,065	210 days	\$3,220	238 days	\$3,650	261 days	\$4,000	Years of Service	Vested Amount	After 1 year	10%	After 2 years	20%	After 3 years	30%	After 4 years	40%	After 5 years	50%	After 6 years	60%	After 7 years	70%	After 8 years	80%	After 9 years	90%	After 10 years	100%
Days of Contract	Amount of Contributions																																												
Administrators																																													
210 days	\$ 3,220																																												
238 days	\$ 3,650																																												
261 days	\$ 4,000																																												
Administrative Support Staff																																													
Student Day Contracts	\$ 2,790																																												
200 days	\$3,065																																												
210 days	\$3,220																																												
238 days	\$3,650																																												
261 days	\$4,000																																												
Years of Service	Vested Amount																																												
After 1 year	10%																																												
After 2 years	20%																																												
After 3 years	30%																																												
After 4 years	40%																																												
After 5 years	50%																																												
After 6 years	60%																																												
After 7 years	70%																																												
After 8 years	80%																																												
After 9 years	90%																																												
After 10 years	100%																																												
	Non-OPEB - Compensated Absence																																												
	<p><u>Vacation Leave</u>: Unused vacation leave accumulated upon retirement, up to the maximum of 60 days, will be converted to a one-time cash payment based upon last year's per diem wage rate. In addition, eligible retirees are entitled to payment of their last year's unused vacation days.</p> <p><i>This is not an OPEB benefit, but a compensated absence under GASB 16 and will not be included in the valuation.</i></p>																																												
<p>Note: Administrators hired on or after June 30, 2012, will not be eligible for District provided post-employment benefits if they are receiving an annuity from the WRS.</p>																																													

Teachers

Hired Prior to April 1, 2008	
Eligibility	OPEB
<p>At least age 55 with a minimum of 1 (one) year of service in the District</p> <p>OR</p> <p>An employee that has to retire before reaching age 55 due to a serious health condition that qualifies for WRS Disability retirement</p>	<p><u>HRA Contributions</u>: Upon retirement, the District shall make contributions into an HRA on behalf of the retiree. The total amount of these contributions shall be based upon the following:</p> <ul style="list-style-type: none"> • <i>Eligible retirees shall receive \$1,200 in return for each year of service in the District (pro-rated for those with less than 100% FTE).</i> • <i>Unused sick leave accumulated upon retirement, up to a maximum of 120 days, will be reimbursed at the rate of \$95 per day. The total HRA contribution resulting from the unused sick leave will not exceed \$11,400.*</i> • <i>Eligible retirees shall receive a payout of banked points (salary step placement). The District shall compare the Teacher's salary step placement during their final year to the salary step placement they would have if they were placed on the schedule at a salary step consistent with the total number of points they had earned, as of June 15 leading into their final year of employment. The difference between the two salaries shall be contributed to the Teacher's HRA account.</i> <p>The total HRA contribution amount will be divided into 8 equal payments that will be contributed twice annually - every September 15th and January 15th.</p> <p>In the event that of a retiree's death, any remaining benefit, will be provided to the surviving spouse and/or dependents. Such benefits are subject to the term and conditions of the HRA plan and applicable Internal Revenues Service Code and rules.</p> <p><i>*Note: In reference to the unused accumulated sick leave benefit noted above: it is not an OPEB and not included in the valuation. Only the implicit rate subsidy, resulting from use of the sick leave days dollars in the HRA to remain on the District's health plan is included is an OPEB and included in this valuation.</i></p>

Teachers Cont'd

Hired On or After April 1, 2008	
Eligibility	OPEB
<p>At least age 55 with a minimum of 1 (one) year of service in the District</p> <p>OR</p> <p>An employee that has to retire before reaching age 55 due to a serious health condition that qualifies for WRS Disability retirement</p>	<p><u>HRA Contributions:</u> Unused sick leave accumulated upon retirement, up to a maximum of 120 days, will be reimbursed at the rate of \$95 per day and contributed to the retiree's HRA. The total HRA contribution resulting from the unused sick leave will not exceed \$11,400. Payments shall occur on September 15th and January 15th following the effective date of the employee's retirement*.</p> <p>Eligible retirees shall also receive a payout of banked points (salary step placement). The District shall compare the Teacher's salary step placement during their final year to the salary step placement they would have if they were placed on the schedule at a salary step consistent with the total number of points they had earned, as of June 15 leading into their final year of employment. The difference between the two salaries shall be contributed to the Teacher's HRA account.</p> <p><i>*Note: In reference to the unused accumulated sick leave benefit noted above: it is not an OPEB and not included in the valuation. Only the implicit rate subsidy, resulting from use of the sick leave days dollars in the HRA to remain on the District's health plan is included is an OPEB and included in this valuation.</i></p>

Teachers Cont'd

Eligibility	Actively-Funded Benefit																																							
<p>Funded during active years of service</p> <p>At least age 55 with at least 1 full year of service in the District - to be 100% vested at least 10 years of service in the District</p> <p>OR</p> <p>An employee that has to retire before reaching age 55 due to a serious health condition that qualifies for WRS Disability retirement</p>	<p style="text-align: center;">Provided to All Teachers Based Upon Hire Date</p> <p><u>HRA Contributions:</u> September to June of each year the District shall divide the totals noted below and make 10 separate monthly contributions into an interest-bearing post-employment HRA.</p> <table border="1" data-bbox="553 457 1390 604"> <thead> <tr> <th>Hire Date</th> <th>Annual Contribution Amount</th> </tr> </thead> <tbody> <tr> <td>Hired Prior to April 1, 2008</td> <td>\$ 640</td> </tr> <tr> <td>Hired On or After April 1, 2008</td> <td>\$ 1,040</td> </tr> </tbody> </table> <p>These funds may be used to continue coverage on the District's health and dental plan if permitted by the carrier until exhaustion.</p> <p>In the event that of a retiree's death, any remaining benefit, will be provided to the surviving spouse and/or dependents. Such benefits are subject to the term and conditions of the HRA plan and applicable Internal Revenues Service Code and rules.</p> <p>Vesting Schedule:</p> <table border="1" data-bbox="610 898 1333 1354"> <thead> <tr> <th>Years of Service</th> <th>Vested Amount</th> <th>Non-Vested amount</th> </tr> </thead> <tbody> <tr> <td>After 1 year</td> <td>10%</td> <td>90%</td> </tr> <tr> <td>After 2 years</td> <td>20%</td> <td>80%</td> </tr> <tr> <td>After 3 years</td> <td>30%</td> <td>70%</td> </tr> <tr> <td>After 4 years</td> <td>40%</td> <td>60%</td> </tr> <tr> <td>After 5 years</td> <td>50%</td> <td>50%</td> </tr> <tr> <td>After 6 years</td> <td>60%</td> <td>40%</td> </tr> <tr> <td>After 7 years</td> <td>70%</td> <td>30%</td> </tr> <tr> <td>After 8 years</td> <td>80%</td> <td>20%</td> </tr> <tr> <td>After 9 years</td> <td>90%</td> <td>10%</td> </tr> <tr> <td>After 10 years</td> <td>100%</td> <td>0%</td> </tr> </tbody> </table> <p>a. \$320 of the above noted contribution amounts (\$640 and \$1,040) shall immediately vest to the employee.</p> <p>b. The remaining funds (\$320 or \$720) of the above amounts shall vest to the employee after they have worked 1 year in the District, according to the above vesting schedule. This shall include all prior service to the District. If a teacher resigns from the District and is rehired to teach in the District, their years of service shall include all years of teacher within the District.</p>	Hire Date	Annual Contribution Amount	Hired Prior to April 1, 2008	\$ 640	Hired On or After April 1, 2008	\$ 1,040	Years of Service	Vested Amount	Non-Vested amount	After 1 year	10%	90%	After 2 years	20%	80%	After 3 years	30%	70%	After 4 years	40%	60%	After 5 years	50%	50%	After 6 years	60%	40%	After 7 years	70%	30%	After 8 years	80%	20%	After 9 years	90%	10%	After 10 years	100%	0%
Hire Date	Annual Contribution Amount																																							
Hired Prior to April 1, 2008	\$ 640																																							
Hired On or After April 1, 2008	\$ 1,040																																							
Years of Service	Vested Amount	Non-Vested amount																																						
After 1 year	10%	90%																																						
After 2 years	20%	80%																																						
After 3 years	30%	70%																																						
After 4 years	40%	60%																																						
After 5 years	50%	50%																																						
After 6 years	60%	40%																																						
After 7 years	70%	30%																																						
After 8 years	80%	20%																																						
After 9 years	90%	10%																																						
After 10 years	100%	0%																																						

Teachers Cont'd

All Teachers retiring at the conclusion of the 2021/22 school year and provided notification of retirement to District by February 28, 2022	
Eligibility	Termination Benefit
<p>Eligible to retire at the conclusion of the 2021/22 school year</p> <p>At least age 55 with at least 1 full year of service in the District</p>	<p>HRA Contributions: The District offered eligible Teachers a one-time early retirement benefit of \$38,000 into an HRA if notice of retirement was provided by February 28, 2022. Eligible Teachers must retire at the conclusion of the 2021/22 school year. The HRA contribution is provided after retirement in the same manner as noted above in the OPEB benefits above (Those hired prior to April 1, 2008 - The total HRA contribution amount will be divided into 8 equal payments that will be contributed twice annually - every September 15th and January 15th; those hired on or after April 1, 2008 - Payments shall occur on September 15th and January 15th following the effective date of the employee's retirement).</p> <p>Note: 13 Teachers took this one-time offer (4 are receiving pro-rated benefits). The District does not currently plan to offer this again in the near future; it was a one-time offer.</p> <p><i>Per correspondence with the District's auditor, this benefit will be accounted for as a termination benefit and will not be included in the OPEB valuation.</i></p>
<p>Notes:</p> <ul style="list-style-type: none"> ➤ Teachers (regardless of hire date) will also receive a Portable HRA that will be funded during their active service with the District. Should this HRA be used towards payment of premiums on the District's health plan, the resulting implicit rate subsidy, if any, would need to be calculated and included as part of the District's OPEB liability. ➤ Unused sick leave when converted into a dollar amount is not an OPEB. However, if the monies resulting from the sick leave conversion are used towards payment of premiums on the District's health plan, the resulting implicit rate subsidy, if any, would need to be calculated and included as part of the District's OPEB liability. ➤ Teachers hired on or after June 30, 2012 will not be eligible for District provided post-employment benefits if they are receiving an annuity from the WRS. 	

Maintenance and Custodians, Classified Staff, Administrative Assistants & Other Hourly Staff

Eligibility	OPEB																						
<p>At least age 55 with at least 1 full year of service in the District - to be 100% vested at least 10 years of service in the District</p> <p>OR</p> <p>An employee that has to retire before reaching age 55 due to a serious health condition that qualifies for WRS Disability retirement</p>	<p><u>Unused Sick Leave: (Implicit Rate Subsidy Only)</u> Unused sick leave accumulated upon retirement, up to the maximum of 120 days, will be converted at the rate of up to \$120 per day (based on their per diem salary) and placed into a post-employment HRA. Payments shall be a one-time payment that will occur on either September 15th or January 15th following the effective date of the employee's retirement. These monies may be used for continued coverage on the District's group health plan.</p> <p><u>HRA Contributions:</u> For any retirement occurring after June 8, 2022, eligible staff shall receive a contribution to their HRA of \$500 per year of service to the District. This benefit is in addition to HRA contributions based upon unused sick leave. Payments shall be a one-time payment that will occur on either September 15th or January 15th following the effective date of the employee's retirement. These monies may be used for continued coverage on the District's group health plan.</p> <p>Vesting Schedule:</p> <table border="1" data-bbox="760 871 1256 1312"> <thead> <tr> <th>Years of Service</th> <th>Vested Amount</th> </tr> </thead> <tbody> <tr><td>After 1 year</td><td>10%</td></tr> <tr><td>After 2 years</td><td>20%</td></tr> <tr><td>After 3 years</td><td>30%</td></tr> <tr><td>After 4 years</td><td>40%</td></tr> <tr><td>After 5 years</td><td>50%</td></tr> <tr><td>After 6 years</td><td>60%</td></tr> <tr><td>After 7 years</td><td>70%</td></tr> <tr><td>After 8 years</td><td>80%</td></tr> <tr><td>After 9 years</td><td>90%</td></tr> <tr><td>After 10 years</td><td>100%</td></tr> </tbody> </table> <p>In the event that of a retiree's death, any remaining benefit, will be provided to the surviving spouse and/or dependents. Such benefits are subject to the term and conditions of the HRA plan and applicable Internal Revenues Service Code and rules.</p> <p><i>The Sick Leave Benefit is not an OPEB benefit, but a compensated absence under GASB 16. However, the resulting implicit rate subsidy, when applicable, from use of such funds to remain on the District's health plan should be accounted for as an OPEB.</i></p>	Years of Service	Vested Amount	After 1 year	10%	After 2 years	20%	After 3 years	30%	After 4 years	40%	After 5 years	50%	After 6 years	60%	After 7 years	70%	After 8 years	80%	After 9 years	90%	After 10 years	100%
Years of Service	Vested Amount																						
After 1 year	10%																						
After 2 years	20%																						
After 3 years	30%																						
After 4 years	40%																						
After 5 years	50%																						
After 6 years	60%																						
After 7 years	70%																						
After 8 years	80%																						
After 9 years	90%																						
After 10 years	100%																						
<p>Note: Employees hired on or after June 30, 2012, will not be eligible for District provided post-employment benefits if they are receiving an annuity from the WRS.</p>																							

Note: Upon retirement or exhaustion of District-provided benefit, retirees may continue to self-pay the full (100%) amount of all required premiums to remain on the District's health plan indefinitely, provided they continue to pay all required premiums.

OPEB Actuarial Assumptions

Valuation Date	June 30, 2022
Measurement Date	June 30, 2022
Reporting Date	June 30, 2022
Actuarial Cost Method	<u>Entry Age Normal – Level % of Salary</u> : Under this method, the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit age(s). The normal cost is equal to the valuation salary multiplied by the present value of benefits divided by the present value of future salaries, measured as of the date of hire. The accrued liability is equal to the present value of projected benefits minus the present value of future normal costs, measured as of the valuation date.
Interest Rate	Discount rate for valuing liabilities – 2.25% Interest Rate on plan assets – 2.25% Implicit in these rates is 2.50% assumed rate of inflation
Asset Valuation Method	Market Value
Average of Expected Remaining Service Lives	11 years

Retirement Rates*Early Retirement*

<u>Age</u>	<u>Male</u>	<u>Female</u>
55	12.0%	11.0%
56	13.0	13.0
57	13.0	12.0
58	12.0	13.0
59	14.0	14.0
60	16.0	17.0
61	16.0	17.0
62	23.0	24.0
63	21.0	24.0
64	21.0	24.0

Regular Retirement (at least age 65 with 5 or more years of service OR 30 or more years of service)

<u>Age</u>	<u>Male</u>	<u>Female</u>
57	31.0%	28.0%
58	29.0	28.0
59	28.0	26.0
60	27.0	29.0
61	26.0	27.0
62	39.0	36.0
63	33.0	31.0
64	30.0	30.0
65	32.0	39.0
66	35.0	44.0
67	31.0	31.0
68	28.0	28.0
69	20.0	20.0
70	30.0	30.0
71	25.0	25.0
72	25.0	25.0
73	25.0	25.0
74	25.0	25.0
75	100.0	100.0

No employees are assumed to retire prior to becoming eligible for benefits

Mortality Rates

Active and retiree mortality rates at sample ages in 2022:

Active				
<u>Age</u>	<u>Male</u>	<u>Female</u>		
20	0.000400	0.000165		
25	0.000215	0.000129		
30	0.000351	0.000226		
35	0.000511	0.000325		
40	0.000639	0.000428		
45	0.000819	0.000545		
			Retiree	
			<u>Male</u>	<u>Female</u>
50	0.001190	0.000783		
55	0.001879	0.001244	0.002436	0.002246
60	0.003101	0.001962	0.004193	0.003498
65	0.005004	0.003015	0.006810	0.004983
70	0.007488	0.004983	0.011301	0.007911
75	0.010923	0.009507	0.020599	0.015081
80	0.021801	0.019586	0.039363	0.030225

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. Future years will reflect improvements in mortality.

Separation Rates

Select and ultimate termination rates at sample ages and years of service are shown below:

<u>Age</u>	<u>Service</u>	<u>Male</u>	<u>Female</u>
	0	12.6%	12.0%
	1	11.6	10.0
	2	8.5	8.5
	3	6.0	6.2
	4	5.6	5.8
	5	4.5	4.8
	6	3.7	4.1
	7	2.9	3.5
	8	2.6	3.4
	9	2.5	3.0
30	10 or More	2.0	2.2
35		1.6	1.9
40		1.4	1.6
45		1.4	1.4
50		1.3	1.2
55		1.3	1.2

No separation rates are assumed after eligibility for retirement

Disablement Rates

Active participant disability rates at sample ages:

<u>Age</u>	<u>Male</u>	<u>Female</u>
20	0.01%	0.01%
25	0.01	0.01
30	0.01	0.01
35	0.01	0.01
40	0.01	0.02
45	0.03	0.05
50	0.08	0.10
55	0.14	0.14
60	0.24	0.21

Health Care & Dental**Trends** *(Annual Increases)*

<u>Year</u>	<u>Health Care</u>	<u>Dental</u>
2022	8.90%	4.5%
2023	6.5	4.5
2024	6.4	4.5
2025	6.3	4.5
2026	6.2	4.5
2027	6.1	4.5
2028	6.0	4.5
2029	5.9	4.5
2030	5.8	4.5
2031	5.7	4.5
2032	5.6	4.5
2033	5.5	4.5
2034	5.4	4.5
2035	5.3	4.5
2036	5.2	4.5
2037	5.1	4.5
2038	5.0	4.5
2039	4.9	4.5
2040	4.8	4.5
2041	4.7	4.5
2042	4.6	4.5
2043+	4.5	4.5

The assumed initial annual health care trend rates are based in part on the 2022 Segal Health Plan Cost Trend Survey. Rates are trended down in subsequent years in accordance with prevalent actuarial practice, based in part on the Society of Actuaries - Getzen Long-Term Health Care Cost Trends Model, as updated October 2020.

Health Plan Funding

Fully Insured

Salary Merit Scale
(Annual Increases)

<u>Service</u>	<u>Increase</u>
1	5.6%
2	5.6
3	5.2
4	4.7
5	4.3
10	2.6
15	1.4
20	0.6
25	0.3
30	0.2
35	0.1

The assumed salary inflation of 3.0% per year is added to these merit increases to get the total assumed increase in salary

Age Related Health Care Cost

2022/23 monthly health premium rates under the District's plan HMO plan were \$721.48 and \$1,623.33 and under the POS plan were \$807.31 and \$1,816.45 (Single and Family, respectively).

Health care costs are assumed to increase each year of age separate from trend due to increased cost of older participants, as follows:

<u>Age</u>	<u>Rate</u>
Under 40	4.00%
40-44	3.75%
45-49	3.50%
50-54	3.00%
55-64	3.25%

Dental Premiums

2022/23 monthly dental premium rates under the District's plan were \$59.40 and \$133.10 (Single and Family, respectively).

Percent with Coverage at Retirement

70% of active employees eligible for a post-employment benefit and currently electing coverage. Upon exhaustion of their District-provided benefit, 30% are assumed to remain on the District's plan.

30% of active employees not eligible for a post-employment benefit and currently electing coverage.

Census Data (Table XI)

Retirees listed as 'Waived' are receiving HRA contributions from the District and using them towards eligible expenses not affiliated with the District's group health plan.

Coverage Tier

70% of future covered retirees are assumed to cover a spouse in retirement

Spouses' Age

Males are assumed to be three years older than their spouses

Waunakee Community School District

Actuarially Determined Contribution Options using the OPEB Liability as of June 30, 2022

For Use in Fiscal Years Ending June 30, 2023 and June 30, 2024

Total OPEB Liability	\$	8,595,623
Fiduciary Net Position		3,259,487
Net OPEB Liability	\$	5,336,136
Service Cost		494,433
Discount Rate		2.25%
Salary Inflation		3.00%
	Level %	Level \$
Amortization Period	ADC	ADC
30	\$ 668,817	\$ 752,084
29	675,088	758,068
28	681,807	764,495
27	689,027	771,414
26	696,803	778,882
25	705,204	786,964
24	714,306	795,738
23	724,203	805,294
22	735,001	815,738
21	746,830	827,197
20	759,844	839,824
19	774,230	853,804
18	790,218	869,361
17	808,090	886,773
16	828,199	906,390
15	850,992	928,652
14	877,044	954,126
13	907,109	983,552
12	942,188	1,017,920
11	983,650	1,058,576
10	1,033,409	1,107,408
9	1,094,232	1,167,141
8	1,170,265	1,241,862
7	1,268,030	1,337,996
6	1,398,391	1,466,249
5	1,580,906	1,645,891
4	1,854,691	1,915,466
3	2,311,015	2,364,905
2	3,223,689	3,264,007
1	5,961,757	5,961,757

Please note: The valuation was prepared using a measurement date that is 12 months prior to the reporting date, i.e. June 30, 2022 and June 30, 2023, respectively. Thus, this chart may be used to select an ADC for the fiscal years ending June 30, 2023 and June 30, 2024 to be shown in subsequent exhibits and reporting periods.