



MINERAL POINT UNIFIED SCHOOL DISTRICT

FINANCIAL STATEMENTS

Including Independent Auditor's Report

As of and for the year ended June 30, 2024

Johnson Block & Company, Inc.
Certified Public Accountants
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Mineral Point Unified School District
June 30, 2024
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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Mineral Point Unified School District
Mineral Point, Wisconsin

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS we:

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

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

Required Supplementary Information

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

Required Supplementary Information (Continued)

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining nonmajor fund statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

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

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
October 30, 2024

BASIC FINANCIAL STATEMENTS

Exhibit A-1
Mineral Point Unified School District
Statement of Net Position
June 30, 2024

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 3,036,547
Cash and cash equivalents - restricted	846,964
Accounts receivable	6,868
Taxes receivable	1,293,971
Inventory	2,626
Due from other governments	80,766
Prepays	14,665
Total current assets	<u>5,282,407</u>
Noncurrent assets:	
Capital assets	
Property, plant and equipment	30,972,402
Less: accumulated depreciation	<u>(11,855,781)</u>
Net book value of capital assets	<u>19,116,621</u>
Total noncurrent assets	<u>19,116,621</u>
Total assets	<u>24,399,028</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred pension outflows	<u>3,474,955</u>
Total assets and deferred outflows of resources	<u><u>\$ 27,873,983</u></u>

Exhibit A-1 (Continued)
Mineral Point Unified School District
Statement of Net Position
June 30, 2024

	<u>Governmental Activities</u>
LIABILITIES	
Current liabilities:	
Accrued salaries and wages	\$ 73,578
Accounts payable	174,943
Customer deposits	15,824
Accrued interest payable	74,396
Due to other governments	72
Current portion of long-term obligations	578,584
Total current liabilities	<u>917,397</u>
Noncurrent liabilities:	
Notes and bonds payable, plus unamortized debt premiums of \$190,990	10,090,197
Net pension liability	413,137
Lease liability	1,732
Vested employee sick leave	458,509
Less: current portion	(578,584)
Total noncurrent liabilities	<u>10,384,991</u>
Total liabilities	<u>11,302,388</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred pension inflows	<u>2,209,818</u>
NET POSITION	
Net investment in capital assets	9,024,692
Restricted	
Capital projects	962,964
Special revenue	504,357
Community service	131,314
Debt service	181,707
Food service	135,885
Unspent common school fund	190
Get kids ahead initiative	3,870
Unrestricted	<u>3,416,798</u>
Total net position	<u>14,361,777</u>
Total liabilities, deferred inflows of resources, and net position	<u><u>\$ 27,873,983</u></u>

Exhibit A-2
Mineral Point Unified School District
Statement of Activities
For the Year Ended June 30, 2024

Functions/Programs	Program Revenues				Net (Expenses) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental activities:					
Instruction:					
Regular instruction	\$ 4,642,140	\$ 52,321	\$ 2,018,713	\$	\$ (2,571,106)
Vocational instruction	517,498		40,998		(476,500)
Special instruction	1,709,050		946,709		(762,341)
Other instruction	1,016,145	50,594	297,460	9,680	(658,411)
Total instruction	7,884,833	102,915	3,303,880	9,680	(4,468,358)
Support services:					
Pupil services	567,115		123,601		(443,514)
Instructional staff services	804,580		130,339		(674,241)
General administration services	261,107				(261,107)
Building administration services	525,927	14,078	8,045		(503,804)
Business administration	2,852,690	283,339	269,734	15,516	(2,284,101)
Central services	30,555				(30,555)
Insurance	126,831				(126,831)
Other support services	281,927		5		(281,922)
Interest expense and fiscal charges	309,170			25,042	(284,128)
Depreciation - unallocated	200,465				(200,465)
Community services	3,440				(3,440)
Total support services	5,963,807	297,417	531,724	40,558	(5,094,108)
Non-program transactions:					
Purchased instructional services	592,838		41,247		(551,591)
Post-secondary scholarships	17,505		22,102		4,597
Total non-program transactions:	610,343		63,349		(546,994)
Total governmental activities	\$ 14,458,983	\$ 400,332	\$ 3,898,953	\$ 50,238	\$ (10,109,460)
General revenues:					
Property taxes					
General purposes					3,806,918
Debt services					825,340
Other taxes					94,430
Federal and State aid not restricted for specific purposes					
General					5,720,952
(Loss) on sale of capital assets					(16,382)
Interest and investment earnings					133,346
Miscellaneous					10,044
Total general revenues					10,574,648
Changes in net position					465,188
Net position - beginning of year					13,896,589
Net position - end of year					\$ 14,361,777

Exhibit A-3
Mineral Point Unified School District
Balance Sheet
Governmental Funds
June 30, 2024

	General Fund	Capital Projects Fund	Other Governmental Funds	Totals
ASSETS				
Cash and investments	\$ 1,988,819	\$	\$ 1,047,728	\$ 3,036,547
Cash and investments - restricted		846,964		846,964
Accounts receivable	1,408		5,460	6,868
Taxes receivable	1,293,971			1,293,971
Inventory			2,626	2,626
Due from other funds		116,000		116,000
Due from other governments	80,766			80,766
Prepays	14,665			14,665
	<hr/>			
Total assets	\$ 3,379,629	\$ 962,964	\$ 1,055,814	\$ 5,398,407
LIABILITIES				
Accrued wages and payroll taxes	\$ 73,578	\$	\$	\$ 73,578
Accounts payable	165,238		9,705	174,943
Customer deposits			15,824	15,824
Due to other funds	116,000			116,000
Due to other governments	72			72
	<hr/>			
Total liabilities	354,888		25,529	380,417
FUND BALANCES				
Nonspendable	14,665		2,626	17,291
Restricted	4,060	962,964	1,027,659	1,994,683
Unassigned	3,006,016			3,006,016
	<hr/>			
Total fund balances	3,024,741	962,964	1,030,285	5,017,990
	<hr/>			
Total liabilities and fund balances	\$ 3,379,629	\$ 962,964	\$ 1,055,814	\$ 5,398,407
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Exhibit A-4
Mineral Point Unified School District
Reconciliation of the Governmental Funds Balance Sheet
with the Statement of Net Position
June 30, 2024

	<u>June 30, 2024</u>
Total fund balances - governmental funds:	\$ 5,017,990
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets and right to use used leased assets used in governmental funds are not financial resources and therefore are not reported in the fund statements. Amounts reported for governmental activities in the statements of net position:	
Governmental capital assets	30,972,402
Governmental accumulated depreciation	<u>(11,855,781)</u>
	19,116,621
Pension deferred outflows of resources and deferred inflows of resources are actuarially determined by the defined benefit pension plan. These items are reflected in the statement of net position and are being amortized with pension expense in the statement of activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and therefore are not reported in the fund statements.	
Deferred outflows of resources	3,474,955
Deferred inflows of resources	(2,209,818)
Long term liabilities, including bonds and notes payable, and lease liabilities are not due in the current period and therefore are not reported in the fund statements. Long-term liabilities reported in the statement of net position that are not reported in the funds balance sheet are:	
General obligation debt	9,899,207
Debt premiums	190,990
Net pension liability	413,137
Lease liability	1,732
Accrued interest on long-term debt	74,396
Vested employee sick leave	<u>458,509</u>
	(11,037,971)
Total net position - governmental activities	<u>\$ 14,361,777</u>

Exhibit A-5
Mineral Point Unified School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	General Fund	Capital Projects Fund	Other Governmental Funds	Totals
REVENUES				
Property taxes	\$ 3,810,348	\$	\$ 916,340	\$ 4,726,688
Other local sources	182,403	35,817	919,615	1,137,835
Interdistrict sources	930,302			930,302
Intermediate sources	22,078			22,078
State sources	7,298,251		7,857	7,306,108
Federal sources	594,715		199,834	794,549
Other sources	10,044			10,044
Total revenues	12,848,141	35,817	2,043,646	14,927,604
EXPENDITURES				
Instruction:				
Regular instruction	4,557,371		165,126	4,722,497
Vocational instruction	514,208		14,422	528,630
Special instruction	1,758,441			1,758,441
Other instruction	754,696		280,147	1,034,843
Total instruction	7,584,716		459,695	8,044,411
Support services:				
Pupil services	569,856		399	570,255
Instructional staff services	799,886		10,049	809,935
General administration services	287,443			287,443
Building administration services	555,708		8,664	564,372
Business administration	1,774,218	241,009	590,406	2,605,633
Central services	22,181			22,181
Insurance	126,831			126,831
Principal and interest	20,930		1,132,003	1,152,933
Other support services	389,863			389,863
Community services			1,883	1,883
Total support services	4,546,916	241,009	1,743,404	6,531,329
Non-program transactions:				
Purchased instructional services	592,838			592,838
Post-secondary scholarships			17,505	17,505
Total non-program transactions:	592,838		17,505	610,343
Total expenditures	12,724,470	241,009	2,220,604	15,186,083
Excess (deficiency) of revenues over expenditures	123,671	(205,192)	(176,958)	(258,479)
OTHER FINANCING SOURCES (USES)				
Transfer to other funds	(118,500)			(118,500)
Transfer from other funds		116,000	2,500	118,500
Total other financing sources (uses)	(118,500)	116,000	2,500	
Net change in fund balances	5,171	(89,192)	(174,458)	(258,479)
Fund balance - beginning of year	3,019,570	1,052,156	1,204,743	5,276,469
Fund balance - end of year	\$ 3,024,741	\$ 962,964	\$ 1,030,285	\$ 5,017,990

Exhibit A-6
Mineral Point Unified School District
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2024

Net change in fund balances-total governmental funds	\$ (258,479)
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Amounts reported for governmental activities in the statement of activities are different because:

The acquisition of capital assets and right to use leased assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives or the applicable lease term as annual depreciation or amortization expenses in the statement of activities

Capital/lease outlay reported in governmental fund statements	477,762
Depreciation expense reported in the statement of activities	(786,311)
Amortization expense reported in the statement of activities	<u>(14,070)</u>
Amount by which capital/lease outlays are greater (less) than depreciation/amortization in the current period.	(322,619)

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, donations, and disposals) is to increase/(decrease) net position:	(16,382)
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Vested employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year.

Change in compensated absences	124,679
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Long-term proceeds, including leases, provide current financial resources to governmental funds, but issuing long-term debt increases long-term liabilities in the statement of net position. Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities.

Principal payments on long-term debt	817,652
Principal payments on lease liabilities	19,858

Debt premiums are reported in the governmental funds as revenue when those amounts are received. However, the premium is shown in the statement of net position and allocated over the life of the debt as interest income in the statement of activities.

Amount of debt premium amortized in the current year	12,950
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In governmental funds, interest payments on outstanding debt are reported as an expenditure when paid. In the statement of activities, interest is reported as incurred.

The amount of interest paid during the current period	300,799
The amount of interest accrued during the current period	<u>(294,545)</u>
Interest paid is greater (less) than interest accrued by:	6,254

Pension expense reported in the governmental funds represents current year required contributions into the defined benefit pension plan.

Pension expense in the statement of activities is actuarially determined by the defined benefit pension plan as the differences between the net pension liability from the prior year to the current year, with some adjustments.

Difference between the required contributions into the defined benefit plan and the actuarially determined change in net pension liability between years, with adjustments.	<u>81,275</u>
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Change in net position-governmental activities	<u>\$ 465,188</u>
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NOTES TO THE BASIC FINANCIAL STATEMENTS

Mineral Point Unified School District
June 30, 2024
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Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Mineral Point Unified School District is organized as a common school district governed by an elected seven-member school board. The District operates an Early Childhood Program and grades pre-kindergarten through grade 12. The District is comprised of all or parts of eight taxing districts.

The accompanying financial statements present the activities of the Mineral Point Unified School District. The District is not a component unit of another reporting entity nor does it have any component units.

The reporting entity for the District is based upon criteria set forth by the Governmental Accounting Standards Board. The financial reporting entity consists of (a) organizations for which the stand-alone government is financially accountable and (b) the stand-alone government that is controlled by a separately elected governing body that is legally separate and is fiscally independent. All of the accounts of the District comprise the stand-alone government.

B. Basis of Presentation

District-wide Statements:

The statement of net position and the statement of activities present financial information about the District's governmental activities. These statements include the financial activities of the overall government in its entirety. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. The District does not report any business-type activities.

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

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

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements:

Fund financial statements of the reporting entity are organized into funds, each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures.

Funds are organized as major funds or nonmajor funds within the governmental statements. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.
- c. In addition, any other governmental fund that the District believes is particularly important to financial statement users may be reported as a major fund.

Governmental Activities

Governmental funds are identified as either general, special revenue, debt service, capital projects, or permanent funds based upon the following guidelines:

General Fund - The general fund is the general operating fund of the District and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects or expendable trusts) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds - Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Permanent Funds - Permanent funds are used to account for resources legally held in trust. All resources of the fund, including any earnings on invested resources, may be used to support the organization.

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Major Funds

The District reports the following major governmental funds:

General Fund

Capital Projects Fund

Nonmajor Funds

The District reports the following nonmajor funds:

Special Revenue Funds:

Special Revenue Fund – accounts for funds that can be used for District operations. The source of such funds is gifts and donations from private parties.

Food Service Fund – accounts for the activities of the District’s food service, generally the school hot lunch program.

Community Service Fund – accounts for activities associated with providing recreational and enrichment programs to the community.

Debt Service Fund

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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

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

State general and categorical aids and other entitlements are recognized as revenue in the period the District is entitled to the resources and the amounts are available. Expenditure-driven programs currently reimbursable are recognized as revenue when the qualifying expenditures have been incurred and the amounts are available. Amounts owed to the District which are not available are recorded as receivables and deferred inflows of resources. Amounts received prior to the entitlement period are also recorded as deferred inflows of resources.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, expenditure-driven grant programs, public charges for services, and investment income.

Charges for services provided to other educational agencies and private parties are recognized as revenue when services are provided. Charges for special educational services are not reduced by anticipated state special education aid entitlements.

For governmental fund financial statements, deferred inflows of resources arise when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred inflows of resources also arise when resources are received before the District has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, deferred inflows of resources is removed from the combined balance sheet and revenue is recognized.

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets and Liabilities

Cash and Cash Equivalents/Investments

The District has pooled the cash resources of its funds in order to maximize investment opportunities. Each fund's portion of total cash and investments is reported as cash and cash equivalents/investments by the District's individual major funds, and in the aggregate for nonmajor funds. Interest earned is reported monthly to the various funds based on each fund's proportionate equity in the cash and investment pool.

All deposits of the District are made in board designated official depositories and are secured as required by State Statute. The District may designate, as an official depository, any bank or savings association. Also, the District may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

Investments with remaining maturities at the time of purchase of one year or less are stated at amortized cost which approximates fair value. Investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices.

Accounts Receivable

All accounts receivable are shown at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since such allowance would not be material.

Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventory in the general fund and governmental activities consist of expendable supplies held for consumption. The costs are recorded as expenditures under the purchase method. Prepaid items represent payments made by the District for which benefits extend beyond June 30.

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets and Liabilities (Continued)

Capital Assets

District-wide Statements

In the district-wide financial statements, capital assets are reported at actual cost or estimated historical costs. Donated assets are reported at estimated fair market value at the time received.

All capital assets, or groups of assets, that meet the District's capitalization threshold of \$2,500 are capitalized and updated for additions. Assets that are disposed of are taken off on an annual basis. All improvements to capital assets are capitalized while the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's useful life are expensed.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Computer equipment	3 years
Vehicles	5 years
Other equipment	5-10 years
Site improvements	20 years
Buildings	50 years
Subsequent modernization to buildings	20 years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

Right to use Leased Assets

The District has recorded a right to use leased asset as a result of implementing GASB 87. The right to use leased assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary changes necessary to place the lease into service. The right to use leased assets are amortized on a straight-line basis over the life of the related lease.

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets and Liabilities (Continued)

Vested Employee Benefits

The District's policy states that school year employees shall earn 10 sick days per school year accumulative up to 110 days. Upon retirement after age 55, teachers will be paid for 50% of their accumulated sick days not to exceed 110 days. The retirement must be recognized as such by the Wisconsin State Teachers Retirement System.

The District's policy states that sick leave for calendar year employees is earned at 12 days per year and part time employees will receive sick leave on a pro-rated basis based upon number of hours they are scheduled to work accumulative to either 60 days or 45 days, respectively, depending on an employee's classification. Upon retirement after age 55 or 20 years of service, support staff will be paid 75% of their accumulated sick leave not to exceed 45 days or 33.75 days, depending upon the maximum days that can be accumulated for the various classifications.

Sick leave benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The vested sick leave liability is reported on the district-wide financial statements. In the governmental fund financial statements, none of the liability is reported as it is not expected to be paid using expendable available resources.

Long-Term Obligations

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the district-wide or fund financial statements.

All long-term debt to be repaid from governmental resources are reported as liabilities in the district-wide statements. The long-term debt consists primarily of notes, bonds or loans payable, lease liabilities and accrued compensated absences.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures.

E. Retirement Plans

District employees participate in the Wisconsin Retirement System. All contributions made by the District on behalf of its employees are reported as expenditures when paid.

F. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental fund types.

G. Estimates

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

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Risk Management

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

I. Interfund Transactions

Charges for services between funds are reported as revenues in the seller funds and as expenditure/expense in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. These transfers are eliminated from the statement of activities. On the fund financial statements, short-term interfund loans are classified as due to/from other funds. These amounts are eliminated in the statement of net position.

J. Equity Classifications

District-wide Statements

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

Fund Statements

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

1. Nonspendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
2. Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provision or enabling legislation.
3. Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.
4. Assigned – includes amounts the Board intends to use for a specific purpose; intent can be expressed by the Board or by an official or body to which the Board delegates the authority. All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.
5. Unassigned – includes residual positive fund balance within the general fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Equity Classifications (Continued)

Fund Statements (Continued)

The School Board recognizes the need to maintain an operating reserve in the general fund for the following purposes:

- Hold adequate working capital to meet cash flow needs during the fiscal year.
- Reduce the need for short-term borrowing.
- Serve as a safeguard for unanticipated expenditures of the District.
- Show fiscal responsibility to maintain a high credit rating which will help reduce future borrowing costs.

Long-Term Goals

The District's long-term goals for fund balance is to achieve and maintain a general fund balance that would alleviate the need to short-term borrow for operational cash flow needs. Fund balance in excess of this goal may be used for one-time expenditures or unforeseen costs (i.e. damages). The general fund balance shall not be used for recurring costs in the operating budget.

The Board may, from time to time, commit additional amounts of fund balance to a specific purpose. Such action shall be taken in open meeting and require the approval of a majority of the Board. Commitments of fund balance, once made, can be modified only by majority vote of the Board.

The School Board authorizes and directs the superintendent or designee to assign the fund balance, to the extent such assignment does not create a negative unassigned fund balance, as follows:

- 1) An amount sufficient to liquidate open encumbrances that are reasonably expected to result in an expenditure in the subsequent year end.
- 2) An amount estimated to be sufficient to cover the cost of unsettled labor agreements, if any.
- 3) An amount estimated for labor costs incurred prior to recognition of revenue in the subsequent year.
- 4) Unrestricted community service fund balance shall be assigned for future community service.

The District has a fund balance policy that establishes a minimum fund balance requirement of not less than 15% of the subsequent year's operational expenditures. If the fund balance happens to fall below 15%, the District will take proactive actions to raise the fund balance. As of June 30, 2024 the general fund balance was 25.3% of current year general fund expenditures.

K. Pensions

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

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

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Pensions (Continued)

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

L. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenditure) until then. The deferred outflows of resources are for the WRS pension system.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position which applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. The deferred inflows of resources are related to the WRS pension system.

The net position of the District is significantly impacted by the combined effect of deferred outflows and inflows of resources from the pension plan.

M. Change in Accounting Principle

Effective July 1, 2023, the District adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*. GASB 100 was issued to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The District did not have any accounting changes or error corrections requiring disclosure in the financial statements.

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 2 EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND
STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

Explanation of Differences between Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities

Differences between the governmental funds statement of revenues, expenditures and changes in fund balance and the statement of activities fall into one of three broad categories. The amounts shown on the reconciliation of the statement of revenues, expenditures and changes in fund balance of governmental funds to the statement of activities in the basic financial statements represent:

- a. Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas the statement of activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used on the Statement of Activities. The long-term expenses reported recognize the change in vested employee benefits.
- b. Capital related differences include (1) the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and (2) the difference between recording an expenditure for the purchase of capital items in the governmental fund statements, and capitalization and recording depreciation expense on those items as recorded in the statement of activities.
- c. Long-term debt transaction differences occur because long-term debt proceeds are recorded as revenue and both interest and principal payments are recorded as expenditures in the governmental fund statements. In the statement of activities, long-term debt proceeds are recorded as a liability, interest expense is recorded as incurred, and principal payments are recorded as a reduction of liabilities.

NOTE 3 CASH AND INVESTMENTS

At June 30, 2024, the cash and investments included the following:

Account Balances	
Petty cash/cash on hand	\$ 300
Deposits with financial institutions	3,467,811
Mutual funds	30,618
WI Local Government Investment Pool	384,782
Total	<u>\$ 3,883,511</u>

Cash and investments as of June 30, 2024 are classified in the accompanying financial statements as follows:

Per statement of net position - Exhibit A-1	
Cash and cash equivalents	\$ 3,036,547
Cash and cash equivalents - restricted	846,964
Total	<u>\$ 3,883,511</u>

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by Wisconsin State Statutes

Investment of District funds is restricted by state statutes. Available investments are limited to:

- Time deposits in any credit union, bank, savings bank, trust company or savings and loan association.
- Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state.
- Bonds or securities issued or guaranteed as to principal and interest by the federal government.
- The local government investment pool.
- Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- Repurchase agreements that are fully collateralized by bonds or securities.
- Bonds issued by a local exposition district.
- Bonds issued by a local professional baseball park district.
- Bonds issued by the University of Wisconsin Hospital and Clinics Authority.
- Bond issued by a local football stadium district.
- Bonds issued by a local arts district.
- Bonds issued by the Wisconsin Aerospace Authority.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market rates.

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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

Investment Type	<u>Remaining Maturity (in months)</u>	
	Amount	12 months or less
WI Local Government Investment Pool (LGIP)	\$ 384,782	\$ 384,782

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment.

State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The District has no investment policy that would further limit its investment choices. As of June 30, 2024, the District's investment in the Wisconsin Local Government Investment Pool was not rated.

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer.

At June 30, 2024 the District had \$3,583,819 deposited in one financial institution.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District would not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the District would not be able to recover the value of its investment of collateral securities that are in possession of another party. The District does not have an investment policy for custodial credit risk.

Fair Value Measurement

Financial assets required to be measured on a recurring basis are classified under a three-tier hierarchy for fair value investments. Fair value is the amount that would be received to sell an asset, or paid to settle a liability, in an orderly transaction between market participants at the measurement date.

The District uses the following hierarchical disclosure framework:

Level 1 – Measurement based upon quoted prices for identical assets in an active market as of the reporting date.

Level 2 – Measurement based upon marketplace inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Measurement based on the District's assumptions about a hypothetical marketplace because market inputs are not available as of the reporting date.

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

The District uses appropriate valuation techniques based on the available inputs to measure the fair values of its assets and liabilities. When available, the District measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs have the lowest priority.

Assets at Fair Value as of June 30, 2024			
	Fair Value		Level 1
Mutual funds	\$ 30,618	\$	30,618

On a scale of one to five stars, the mutual funds are rated two, three, or four stars by Morningstar. The mutual funds are subject to market risk.

Federal Deposit Insurance Corporation (FDIC) Insurance

The insurance coverage of public unit accounts depends upon the type of deposit and the location of the insured depository institution. All time and savings deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. Separately, all demand deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. For the purpose of these rules, the term 'time and savings deposits' includes NOW accounts and money market deposit accounts but does not include interest bearing demand deposit accounts. The term 'demand deposits' means both interest-bearing and noninterest-bearing deposits that are payable on demand and for which the depository institution does not reserve the right to require advance notice of an intended withdrawal.

Collateralization of Public Unit Deposits

Depending on applicable state or federal law, public unit deposits may be secured by collateral or assets of the bank. In the event of the failure of the bank, the FDIC will honor the collateralization agreement if the agreement is valid and enforceable under applicable law. The FDIC does not guarantee, however, that the collateral will be sufficient to cover the amount of the uninsured funds. As such, although it does not increase the insurance coverage of the public unit deposits, collateralization provides an avenue of recovery in the event of the failure of an insured bank.

Bank accounts and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of \$1,000,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual organizations.

As of June 30, 2024, \$500,000 of the District's deposits with financial institutions were insured by the FDIC and \$3,083,819 of the District's deposits were in excess of FDIC limits. All of these deposits are collateralized by securities held in the District's name by a local financial institution.

Fluctuating cash flows during the year due to collections, receipt of state aids and proceeds from borrowing may have resulted in temporary balances during the year significantly exceeding insured amounts at the balance sheet date.

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Wisconsin Local Government Investment Pool

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board (SWIB). The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. All investments are valued at amortized cost by the SIF for purposes of calculating earnings to each participant. Specifically, the SIF distributes income to pool participants monthly, based on their average daily share balance. Distributions include interest income based on stated rates (both paid and accrued), amortization of discounts and premiums on a straight-line basis, realized investment gains and losses calculated on an amortized cost basis, and investment expenses. This method does not distribute to participants any unrealized gains or losses generated by the pool's investments. Detailed information about the SIF is available in separately issued financial statements available at <https://doa.wi.gov/Pages/StateFinances/LGIP.aspx>.

Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At June 30, 2024, the fair value of the District's share of the LGIP's assets was substantially equal to the amount reported above. Information on derivatives was not available to the District.

SWIB may invest in obligations of the U.S. Treasury and its agencies, Commercial Paper, Bank Time Deposits/Certificates of Deposit, Bankers' Acceptances, Asset Backed Securities and Repurchase Agreements secured by the U.S. Government or its agencies and other instruments authorized under State Investment Fund Investment Guidelines.

Investment allocation in the local government investment pool as of June 30, 2024 was 98% in U.S. Government Securities and 2% in commercial paper, CD's, and time deposits.

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 4

CAPITAL ASSETS

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 296,858	\$	\$	\$ 296,858
Total capital assets not being depreciated	296,858			296,858
<i>Capital assets, being depreciated:</i>				
Buildings	25,578,313	22,255	(11,894)	25,588,674
Land improvements	843,623	99,500	(18,600)	924,523
Furniture and equipment	3,995,287	287,369	(382,451)	3,900,205
Vehicles	239,792	68,638	(46,288)	262,142
Total capital assets, being depreciated	30,657,015	477,762	(459,233)	30,675,544
Total capital assets	30,953,873	477,762	(459,233)	30,972,402
Less accumulated depreciation:				
Buildings	(7,660,249)	(550,806)	5,897	(8,205,158)
Land improvements	(282,758)	(55,855)	8,215	(330,398)
Furniture and equipment	(3,399,449)	(154,002)	382,451	(3,171,000)
Vehicles	(169,865)	(25,648)	46,288	(149,225)
Total accumulated depreciation	(11,512,321)	(786,311)	442,851	(11,855,781)
Net capital assets being depreciated	19,441,552	(308,549)	(16,382)	19,116,621
Right to use leased assets being amortized:				
Copy machine	84,423			84,423
Less accumulated amortization:				
Copy machine	(70,353)	(14,070)		(84,423)
Net right to use leased assets being amortized	14,070	(14,070)		
Total net capital assets	\$ 19,455,622	\$ (322,619)	\$ (16,382)	\$ 19,116,621

Depreciation expense was charged to governmental functions as follows:

Governmental activities:	
Regular instruction	\$ 31,925
Vocational instruction	13,519
Special education	5,074
Other instruction	8,283
Instructional staff services	2,148
Building administration	617
Business administration	481,105
Central services	8,374
Other support services	34,801
Depreciation not charged to a specific function	200,465
Total depreciation for governmental activities	<u>\$ 786,311</u>

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 4

CAPITAL ASSETS (CONTINUED)

Amortization expense was charged to functions as follows:

Other support services	\$ 14,070
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Capital outlay was charged to governmental functions as follows:

Regular instruction	\$ 45,666
Vocational instruction	18,422
Other instruction	9,680
Business administration	230,729
Other support services	173,265
Total capital outlay	<u>\$ 477,762</u>

NOTE 5

LONG-TERM OBLIGATIONS

A. Long-term Liabilities

Long-term liability balances and activity for the year ended June 30, 2024 were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion
General obligation bonds	\$ 9,610,000	\$	\$ (260,000)	\$ 9,350,000	\$ 255,000
Notes from direct borrowings and direct placements	1,106,859		(557,652)	549,207	321,852
Debt premium	203,940		(12,950)	190,990	
Lease liability	21,590		(19,858)	1,732	1,732
Sub-total	10,942,389		(850,460)	10,091,929	578,584
Vested employee sick leave	583,188		(124,679)	458,509	
Total	<u>\$11,525,577</u>	<u>\$</u>	<u>\$ (975,139)</u>	<u>\$10,550,438</u>	<u>\$ 578,584</u>

The compensated absences liability attributed to governmental activities are typically being liquidated in the general fund.

Total long-term interest paid and accrued during the year:

	Expense	Paid
Long-term debt	\$ 293,472	\$ 299,726
Lease liability	1,073	1,073
Total	<u>\$ 294,545</u>	<u>\$ 300,799</u>

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 5

LONG-TERM OBLIGATIONS (CONTINUED)

A. Long-term Liabilities

General obligation debt at June 30, 2024 is comprised of the following individual issues:

Description	Issue Date	Interest Rates	Date of Maturity	Balance 6/30/24
Notes payable - Stadium	01/05/18	2.45%	01/25/28	\$ 76,047
Notes payable - Energy Efficiency Loan	01/05/18	2.45%	08/01/27	233,160
GO refunding bonds	07/09/19	1.85%-3.00%	04/01/39	9,350,000
General obligation promissory note	01/07/20	2.30%	04/01/25	240,000
Total				<u>\$ 9,899,207</u>

The \$172,705 stadium loan dated January 5, 2018 is expected to be repaid through community fundraising efforts. If the fundraising efforts do not produce the necessary funds to make full payments on the loan, the District has obtained guarantors from the community to contribute the necessary funds to pay for any shortfall.

All general obligation debt is secured by the full faith and credit and unlimited taxing powers of the District.

The 2023 equalized valuation of the District, as certified by the Wisconsin Department of Revenue is \$570,737,765. The legal debt limit and margin of indebtedness as of June 30, 2024 in accordance with Section 67.03(1)(b) of the Wisconsin Statutes follows:

Debt limit (10% of \$570,737,765)	\$ 57,073,777
Deduct long-term debt applicable to debt margin	<u>(9,899,207)</u>
Margin of indebtedness	<u>\$ 47,174,570</u>

Aggregate cash flow requirements for the retirement of long-term principal and interest at June 30, 2024 follows:

Years Ended June 30,	Governmental Activities					
	Notes from Direct Borrowings and Direct Placements			Bonds - Non-direct		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 321,852	\$ 13,223	\$ 335,075	\$ 255,000	\$ 266,966	\$ 521,966
2026	83,899	5,656	89,555	505,000	262,248	767,248
2027	83,211	3,573	86,784	515,000	252,653	767,653
2028	60,245	1,503	61,748	585,000	242,250	827,250
2029				605,000	224,700	829,700
2030-2034				3,300,000	840,750	4,140,750
2035-2039				3,585,000	313,800	3,898,800
Totals	<u>\$ 549,207</u>	<u>\$ 23,955</u>	<u>\$ 573,162</u>	<u>\$ 9,350,000</u>	<u>\$ 2,403,367</u>	<u>\$11,753,367</u>

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 5

LONG-TERM OBLIGATIONS (CONTINUED)

A. Long-term Liabilities

On April 3, 2024, the District defeased a portion of the General Obligation Refunding bonds dated July 9, 2019. The District defeased \$260,000 of the \$815,000 principal payment due April 1, 2039. The District used cash on hand in the amount of \$258,977 and deposited the funds with an escrow agent to provide for all future debt service payments of the defeased amounts listed above. As a result, \$260,000 of the remaining principal on the 2019 bonds is considered to be defeased and the liability for those bonds has been removed from the statement of net position. The debt defeasance resulted in a savings of \$99,973 for the District.

B. Vested Employee Benefits

Vested employee sick leave at June 30, 2024 is calculated based on the District's assumptions that employees will receive future payments for these benefits. Benefits included in this calculation include sick leave payments estimated for all staff. The estimated liability for earned sick leave benefits at June 30, 2024 is \$458,509 and is shown on the statement of net position. There are currently 109 people eligible to receive these benefits. The liability for the vested employee sick leave was determined using an estimated probability that certain employees would receive benefits in the future and depending on the assumptions used, the estimated liability could vary significantly.

C. Lease Liability

The District has entered into lease agreements that allows the right to use copy machines over the terms of the leases.

Aggregate cash flow requirements for the retirement of the lease liability and interest at June 30, 2024 were as follows:

Years Ended			
June 30,	Principal	Interest	Total
2025	\$ 1,732	\$ 12	\$ 1,744
Totals	\$ 1,732	\$ 12	\$ 1,744

NOTE 6

DEFINED BENEFIT PENSION PLAN

Plan Description: The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 6

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

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

The WRS also provides death and disability benefits for employees.

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

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

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 6

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

During the reporting period, the WRS recognized \$352,137 in contributions from the employer.

Contribution rates as of June 30, 2024 are:

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.90%	6.90%
Protective with Social Security	6.90%	14.30%
Protective without Social Security	6.90%	19.10%

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

At June 30, 2024, the Mineral Point Unified School District reported a liability (asset) of \$413,137 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2022, rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability (asset) was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, the Mineral Point Unified School District's proportion was 0.02778690%, which was a decrease of (0.00064164%) from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$284,062.

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 6

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,665,765	\$ (2,206,316)
Net differences between projected and actual earnings on pension plan investments	1,439,716	
Changes in assumptions	180,074	
Changes in proportion and differences between employer contributions and proportionate share of contributions	307	(3,502)
Employer contributions subsequent to the measurement date	189,093	
Total	<u>\$ 3,474,955</u>	<u>\$ (2,209,818)</u>

\$189,093 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended June 30:	Net Deferred Outflows (Inflows) of Resources
2025	\$ 220,032
2026	230,956
2027	902,644
2028	(277,588)
Total	<u>\$ 1,076,044</u>

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 6

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

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

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 6

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

Asset Allocation Targets and Expected Returns¹			
As of December 31, 2023			
<u>Core Fund Asset Class</u>	<u>Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %²</u>
Public Equity	40	7.3	4.5
Public Fixed Income	27	5.8	3.0
Inflation Sensitive	19	4.4	1.7
Real Estate	8	5.8	3.0
Private Equity/Debt	18	9.6	6.7
Leverage ³	(12)	3.7	1.0
Total Core Fund	100	7.4	4.6
<u>Variable Fund Asset Class</u>			
U.S. Equities	70	6.8	4.0
International Equities	30	7.6	4.8
Total Variable Fund	100	7.3	4.5

¹ Asset allocations are managed within established ranges; target percentages may differ from actual monthly allocations.

² New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.7%

³ The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. Currently, an asset allocation target of 12% policy leverage is used, subject to an allowable range of up to 20%.

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 6

DEFINED BENEFIT PENSION PLAN (CONTINUED)

Single Discount Rate: A single discount rate of 6.8% was used to measure the total pension liability, for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 3.77% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax- exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
District's proportionate share of the net pension liability (asset)	\$ 3,993,171	\$ 413,137	\$ (2,091,964)

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

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 7

GOVERNMENTAL FUND BALANCES

Governmental fund balances reported on the fund financial statements at June 30, 2024 include the following:

Nonspendable:		
Major fund:		
General - prepaids	\$	14,665
Nonmajor Fund:		
Food service - inventory		2,626
Total nonspendable		<u>17,291</u>
Restricted:		
Major funds:		
General fund - getting kids ahead initiative		3,870
General fund - unspent common school fund		190
Capital projects		962,964
Nonmajor funds:		
Special revenue		504,357
Food service		135,885
Community service		131,314
Debt service		256,103
Total restricted		<u>1,994,683</u>
Unassigned:		
Major fund:		
General		3,006,016
Total governmental fund balances	\$	<u><u>5,017,990</u></u>

NOTE 8

LIMITATION OF SCHOOL DISTRICT REVENUES

Wisconsin statutes limit the amount of revenues school districts are permitted to derive from general state aids and property taxes unless a higher amount is approved by a referendum of the taxpayers. This limitation does not apply to revenues needed for the repayment of any general obligation debt (including refinanced debt) authorized by either of the following: (a) a resolution of the school board or a referendum prior to August 12, 1993, (b) a referendum on or after August 12, 1993.

NOTE 9

EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has adopted GASB Statement No. 101, *Compensated Absences*, effective for periods beginning after December 15, 2023, GASB Statement No. 102, *Certain Risk Disclosures*, effective for periods beginning after June 15, 2024, and GASB Statement No. 103, *Financial Reporting Model Improvements*, effective for periods beginning after June 15, 2025.. When these statements become effective, application of these standards may restate portions of these financial statements.

Mineral Point Unified School District
June 30, 2024
Notes to the Basic Financial Statements

NOTE 10

INTERFUND BALANCES AND ACTIVITY

Individual fund interfund receivable and payable balances on June 30, 2024 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Reason</u>
Capital projects	General	<u>\$ 116,000</u>	Long term capital improvements

In the Statement of Net Position, amounts reported in fund balances as interfund balances have been eliminated within the governmental type activities column.

The following is a schedule of interfund transfers:

<u>Fund Transfer to</u>	<u>Fund Transfer from</u>	<u>Amount</u>	<u>Reason</u>
Capital projects	General	\$ 116,000	Long term capital improvements
Debt service	General	2,500	Debt service
	Total	<u>\$ 118,500</u>	

\$1,382,229 was transferred to the special education fund from the general fund during the fiscal year ended June 30, 2024. This transfer was used to cover any costs not covered by direct revenues. In the Fund Statements the general fund and special education funds are combined and the transfer is netted. In the Statement of Activities, all transfers have been eliminated.

NOTE 11

COMMITMENTS/SUBSEQUENT EVENTS

Prior to June 30, 2024, the District approved a \$1,500,000 line of credit at 4.25% interest with a local financial institution. As of October 30, 2024, the District had not drawn on this line of credit.

Subsequent to June 30, 2024, the District approved replacing the air conditioners at the High School and District office for approximately \$58,000 using funds from the long-term capital improvement fund.

Subsequent to June 30, 2024, the District approved leasing copiers/printers with a value of \$86,950. Repayments are as follows:

Year Ended				
June 30,	Principal	Interest	Total	
2025	\$ 12,586	\$ 5,128	\$ 17,714	
2026	15,532	5,725	21,257	
2027	16,904	4,353	21,257	
2028	18,398	2,858	21,256	
2029	20,025	1,232	21,257	
2030	3,505	37	3,542	
Total	<u>\$ 86,950</u>	<u>\$ 19,333</u>	<u>\$ 106,283</u>	

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit B-1
Required Supplementary Information
Budgetary Comparison Schedule for the General Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Original Budget Favorable (Unfavorable)	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			
REVENUES					
Property taxes	\$ 3,606,140	\$ 3,807,918	\$ 3,810,348	\$ 204,208	\$ 2,430
Other local sources	57,750	168,450	182,403	124,653	13,953
Interdistrict sources	849,402	886,012	888,423	39,021	2,411
Intermediate sources	4,676	4,896	19,961	15,285	15,065
State sources	6,307,895	6,613,217	6,713,310	405,415	100,093
Federal sources	260,130	280,825	341,454	81,324	60,629
Other sources			10,044	10,044	10,044
Total revenues	11,085,993	11,761,318	11,965,943	879,950	204,625
EXPENDITURES					
Instruction:					
Undifferentiated instruction	2,305,495	2,303,499	2,207,993	97,502	95,506
Regular instruction	2,167,221	2,287,992	2,349,378	(182,157)	(61,386)
Vocational instruction	411,941	448,407	514,208	(102,267)	(65,801)
Physical instruction	243,672	255,303	260,538	(16,866)	(5,235)
Co-curricular activities	458,509	513,209	494,158	(35,649)	19,051
Total instruction	5,586,838	5,808,410	5,826,275	(239,437)	(17,865)
Support services:					
Pupil services	363,697	367,067	379,438	(15,741)	(12,371)
Instructional staff services	451,309	609,252	625,518	(174,209)	(16,266)
General administration services	287,234	303,076	287,443	(209)	15,633
Building administration services	603,823	578,163	555,708	48,115	22,455
Business administration	1,737,946	1,769,903	1,731,273	6,673	38,630
Central services	44,000	40,700	22,181	21,819	18,519
Insurance	125,400	133,743	126,831	(1,431)	6,912
Principal and interest	3,500	3,500	20,930	(17,430)	(17,430)
Other support services	638,020	597,135	389,863	248,157	207,272
Total support services	4,254,929	4,402,539	4,139,185	115,744	263,354
Non-program transactions:					
Purchased instructional services	368,459	490,700	494,583	(126,124)	(3,883)
Total expenditures	10,210,226	10,701,649	10,460,043	(249,817)	241,606
Excess (deficiency) of revenues over expenditures	875,767	1,059,669	1,505,900	630,133	446,231
OTHER FINANCING SOURCES (USES)					
Transfers out	(1,244,283)	(1,283,028)	(1,500,729)	(256,446)	(217,701)
Total other financing sources (uses)	(1,244,283)	(1,283,028)	(1,500,729)	(256,446)	(217,701)
Net change in fund balance	(368,516)	(223,359)	5,171	373,687	228,530
Fund balance - beginning of year	3,019,570	3,019,570	3,019,570		
Fund balance - end of year	\$ 2,651,054	\$ 2,796,211	\$ 3,024,741	\$ 373,687	\$ 228,530

Exhibit B-2
Required Supplementary Information
Mineral Point Unified School District
Budgetary Comparison Schedule for the Special Education Fund
For the Year Ended June 30, 2024

	Budgeted Amounts			Variances		
	Original	Final	Actual	Positive (Negative)	Original	Final
REVENUES						
Interdistrict sources	\$ 16,960	\$ 34,816	\$ 41,879	\$ 24,919	\$ 7,063	
Intermediate sources			2,117	2,117	2,117	
State sources	640,687	645,180	584,941	(55,746)	(60,239)	
Federal sources	249,389	249,389	253,261	3,872	3,872	
Total revenues	907,036	929,385	882,198	(24,838)	(47,187)	
EXPENDITURES						
Instruction:						
Special instruction	1,664,819	1,707,349	1,758,441	(93,622)	(51,092)	
Total instruction	1,664,819	1,707,349	1,758,441	(93,622)	(51,092)	
Support services:						
Pupil services	184,787	184,787	190,418	(5,631)	(5,631)	
Instructional staff services	169,283	169,283	174,368	(5,085)	(5,085)	
Business administration	24,000	42,564	42,945	(18,945)	(381)	
Total support services	378,070	396,634	407,731	(29,661)	(11,097)	
Non-program transactions:						
Purchased instructional services	105,930	105,930	98,255	7,675	7,675	
Total expenditures	2,148,819	2,209,913	2,264,427	(115,608)	(54,514)	
Excess (deficiency) of revenues over expenditures	(1,241,783)	(1,280,528)	(1,382,229)	(140,446)	(101,701)	
OTHER FINANCING SOURCES (USES)						
Transfers in	1,241,783	1,280,528	1,382,229	140,446	101,701	
Total other financing sources (uses)	1,241,783	1,280,528	1,382,229	140,446	101,701	
Net change in fund balances						
Fund balance - beginning of year						
Fund balance - end of year	\$	\$	\$	\$	\$	

Exhibit B-3
Required Supplementary Information
Mineral Point Unified School District
June 30, 2024
Wisconsin Retirement System Schedules

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

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Collective share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2023	0.02778690%	\$ 413,137	\$ 5,178,483	7.98%	98.85%
2022	0.02842854%	1,506,059	5,174,301	29.11%	95.72%
2021	(0.02830127%)	(2,281,134)	4,888,330	(46.66%)	106.02%
2020	(0.02830101%)	(1,766,871)	4,743,221	(37.25%)	105.26%
2019	(0.02842578%)	(916,576)	4,507,506	(20.33%)	102.96%
2018	0.02886144%	1,026,799	4,355,944	23.57%	96.45%
2017	(0.02877180%)	(854,268)	4,277,283	(19.97%)	102.93%
2016	0.02822117%	232,610	4,263,535	5.46%	99.12%
2015	0.02748280%	446,590	3,981,792	11.22%	98.20%
2014	(0.02684848%)	(659,291)	3,803,283	(17.33%)	102.74%

*The proportionate share of the net pension liability (asset) and other amounts presented above for each year were determined as of the calendar year-end that occurred 6 months prior to the financial reporting period.

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years**

Year ended June 30,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered- employee payroll
2024	\$ 364,938	\$ (364,938)	\$	\$ 5,326,448	6.85%
2023	350,972	(350,972)		5,279,899	6.65%
2022	329,958	(329,958)		4,980,429	6.63%
2021	323,685	(323,685)		4,795,324	6.75%
2020	311,675	(311,675)		4,686,847	6.65%
2019	288,904	(288,904)		4,360,417	6.63%
2018	293,695	(293,695)		4,350,822	6.75%
2017	289,473	(289,473)		4,322,748	6.70%
2016	270,887	(270,887)		4,043,245	6.70%
2015	271,255	(271,255)		3,931,210	6.90%

**The contribution and other amounts presented above for each fiscal year are based on information that occurred during that fiscal year.

Mineral Point Unified School District
June 30, 2024
Notes to the Required Supplementary Information

NOTE 1

BUDGET SCHEDULE

Budgets are adopted each fiscal year for all funds in accordance with Section 65.90 of the Wisconsin Statutes, using the budgetary accounting basis prescribed by the Wisconsin Department of Public Instruction, which is in accordance with generally accepted accounting principles. The legally adopted budget and budgetary expenditure control is exercised at the fund level for all funds. Reported budget amounts are as originally adopted or as amended by the School Board resolution.

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

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

Appropriations lapse at year-end unless authorized as a carryover by the School Board.

NOTE 2

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

Annual budgets are adopted on a basis consistent with U.S generally accepted accounting principles for all governmental and special revenue funds.

The following functions had an excess of actual expenditures over budget for the year ended June 30, 2024:

Fund	Excess Expenditures
General Fund:	
Instruction	\$ 17,865
Non-program transactions	3,883
Transfers out	217,701
Special Education Fund:	
Instruction	51,092
Support services	11,097

Mineral Point Unified School District
June 30, 2024
Notes to the Required Supplementary Information

NOTE 3

EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY
INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

	<u>General Fund</u>	<u>Special Education Fund</u>
A) Sources/Inflows of Resources:		
Actual amounts "total revenues"		
from the budgetary comparison schedules	\$ 11,965,943	\$ 882,198
Reclassification:		
Special education fund revenues are reclassified to the general fund, required for GAAP reporting	<u>882,198</u>	<u>(882,198)</u>
The general fund revenues as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds	<u>\$ 12,848,141</u>	<u>\$</u>
	<u>General Fund</u>	<u>Special Education Fund</u>
B) Uses/Outflows of Resources:		
Actual amounts "total expenditures"		
from the budgetary comparison schedules	\$ 10,460,043	\$ 2,264,427
Reclassification:		
Special education fund expenditures are reclassified to the general fund, required for GAAP reporting	<u>2,264,427</u>	<u>(2,264,427)</u>
The general fund expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds	<u>\$ 12,724,470</u>	<u>\$</u>

Mineral Point Unified School District
June 30, 2024
Notes to the Required Supplementary Information

NOTE 4

WISCONSIN RETIREMENT SYSTEM SCHEDULES

Changes in Benefit Terms and Assumptions related to Pension Liabilities (Assets)

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

Changes of assumptions:

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

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

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

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

Mineral Point Unified School District
June 30, 2024
Notes to the Required Supplementary Information

NOTE 4

WISCONSIN RETIREMENT SYSTEM SCHEDULES (CONTINUED)

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

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

Mortality:

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

Mineral Point Unified School District
June 30, 2024
Notes to the Required Supplementary Information

NOTE 4

WISCONSIN RETIREMENT SYSTEM SCHEDULES (CONTINUED)

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

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

Mortality:

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

SUPPLEMENTARY INFORMATION

Exhibit C-1
Mineral Point Unified School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Fund			Debt	Total
	Special	Food	Community	Service	Nonmajor
	Revenue	Service	Service	Service	Governmental
	Fund	Fund	Fund	Fund	Funds
ASSETS					
Cash and investments	\$ 504,357	\$ 155,954	\$ 131,314	\$ 256,103	\$ 1,047,728
Accounts receivable		5,460			5,460
Inventory		2,626			2,626
Total assets	\$ 504,357	\$ 164,040	\$ 131,314	\$ 256,103	\$ 1,055,814
LIABILITIES					
Accounts payable	\$	\$ 9,705	\$	\$	\$ 9,705
Customer deposits		15,824			15,824
Total liabilities		25,529			25,529
FUND BALANCES					
Nonspendable		2,626			2,626
Restricted	504,357	135,885	131,314	256,103	1,027,659
Total fund balances	504,357	138,511	131,314	256,103	1,030,285
Total liabilities and fund balances	\$ 504,357	\$ 164,040	\$ 131,314	\$ 256,103	\$ 1,055,814

Exhibit C-2
Mineral Point Unified School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Fund			Debt Service Fund	Total Nonmajor Governmental Funds
	Special Revenue Fund	Food Service Fund	Community Service Fund		
REVENUES					
Property taxes	\$	\$	\$ 91,000	\$ 825,340	\$ 916,340
Local sources	593,989	283,339		42,287	919,615
State sources		7,857			7,857
Federal sources		199,834			199,834
Total revenues	593,989	491,030	91,000	867,627	2,043,646
EXPENDITURES					
Instruction:					
Regular instruction	165,126				165,126
Vocational instruction	14,422				14,422
Other instruction	280,147				280,147
Total instruction	459,695				459,695
Support services:					
Pupil services	399				399
Instructional staff services	10,049				10,049
Building administrative services	8,664				8,664
Business administration	10,983	507,045	72,378		590,406
Principal and interest				1,132,003	1,132,003
Community service			1,883		1,883
Total support services	30,095	507,045	74,261	1,132,003	1,743,404
Non-program transactions:					
Post-secondary scholarships	17,505				17,505
Total non-program transactions	17,505				17,505
Total expenditures	507,295	507,045	74,261	1,132,003	2,220,604
Excess (deficiency) of revenues over expenditures	86,694	(16,015)	16,739	(264,376)	(176,958)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds				2,500	2,500
Total other financing sources (uses)				2,500	2,500
Net change in fund balances	86,694	(16,015)	16,739	(261,876)	(174,458)
Fund balances - beginning of year	417,663	154,526	114,575	517,979	1,204,743
Fund balances - end of year	\$ 504,357	\$ 138,511	\$ 131,314	\$ 256,103	\$ 1,030,285