



**Kenosha  
Unified**  
SCHOOL DISTRICT

# ANNUAL FINANCIAL REPORT



FISCAL YEAR ENDING  
**JUNE 30**

**2022**

# **KENOSHA UNIFIED SCHOOL DISTRICT**

## **SCHOOL BOARD AND ADMINISTRATION**

### **2021-2022**

**Our Vision:** *"To be Wisconsin's top performing urban school district that is highly regarded for continuously exceeding all expectations."*

**Our Mission:** *"Provide excellent, challenging learning opportunities and experiences that prepare each student for success."*

### **MEMBERS OF THE BOARD OF EDUCATION**

Yolanda Adams	President
Mary Modder	Vice President
Dr. Todd Alan Price	Clerk
Rebecca Stevens	Treasurer
Todd Battle	Member
Eric Meadows	Member
Kristine Schmaling	Member

### **ADMINISTRATION**

Dr. Jeffrey Weiss	Superintendent of Schools
Tarik Hamdan	Chief Financial Officer
Julie Housaman	Chief Academic Officer
William Haithcock	Chief of School Leadership
Kevin Neir	Interim Chief Human Resource Officer
Kristopher Keckler	Chief Information Officer
Tanya Ruder	Chief Communication Officer

### **ANNUAL FINANCIAL REPORT PREPARED BY**

Lisa M. Salo, CPA, Accounting Manager

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## INDEPENDENT AUDITORS' REPORT

Board of Education  
Kenosha Unified School District  
Kenosha, Wisconsin

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Kenosha Unified School District (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 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 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 *Governmental Auditing Standards*, we:

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

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

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, and the schedules relating to pensions and other postemployment benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not 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.

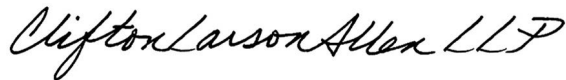
### ***Supplementary Information***

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 financial statements and charter school schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and schedule of expenditures of state awards are presented for purposes of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration and are also not a required part of the basic financial statements.

The combining nonmajor fund financial statements, charter school schedules and the schedules of expenditures of federal and state awards 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. Such 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 supplementary information and the schedules of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Milwaukee, Wisconsin  
November 30, 2022

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**





## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022**

The management's discussion and analysis of the Kenosha Unified School District's financial performance provides an overall review of financial activities for the fiscal year. This analysis focuses on school district financial performance as a whole.

### **OVERVIEW OF THE ANNUAL FINANCIAL REPORT**

The annual financial report includes the management's discussion and analysis, basic financial statements, required supplementary information, and supplementary information. The basic financial statements include the District-wide financial statements, fund financial statements, and notes to the financial statements. The District's annual financial report also provides an additional section called federal and state awards as required by award granting agencies. The annual financial report is the responsibility of the District administration. The independent auditors' reports included in the annual financial report provide various assurances on the annual financial report and are the auditors' responsibility.

### **Basic Financial Statements**

#### **District-wide Financial Statements**

The *statement of net position* and *statement of activities* comprise the District-wide financial statements. These statements present an aggregate view of the District's finances, similar to a private-sector business. Both statements distinguish functions that are supported principally by property taxes and intergovernmental revenues, called *governmental activities*.

The *statement of net position* presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the District's financial situation is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the year. This statement reports the cost of governmental functions and the financing of those functions in the fiscal year.

#### **Fund Financial Statements**

A grouping of related accounts used to maintain control over resources segregated for specific activities defines a fund. Fund statements report operations in more detail than the District-wide statements and provide information that may help evaluate a district's near-term financing requirements. Three fund types may comprise the Fund financial statements: *governmental*, *proprietary*, and *fiduciary*. Governmental funds and fiduciary funds constitute the District's fund financial statements. The District does not have any proprietary funds.



## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022

### **Governmental Funds**

*Governmental funds* report using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. In general, the type of revenues that come in and the expenditures paid out define the fund types' focus. *Governmental funds* include the General Fund, Special Revenue Funds (Head Start, Special Revenue Trust, Food Service, and Community Service), Debt Service Fund, and Capital Projects Fund. Under generally accepted accounting principles, the Special Education Fund (Fund 27) activities are reported with general fund activities because a transfer from the General Fund (Fund 10) finances the excess expenditures within the Special Education Fund.

The District produces *fund financial statements* for this fund type. There are two fund financial statements, the *balance sheet* and the *statement of revenues, expenditures, and changes in fund balances* (operating statement). Financial information for the major funds is presented separately on both the balance sheet and the statement of revenues, expenditures, and changes in fund balances. The General Fund, Capital Projects Fund, and Debt Service Fund are major funds. Data for the non-major funds combine into a single, aggregated column. The non-major funds consist of the Special Revenue Trust Fund, Head Start Fund, Food Service Fund, and Community Service Fund. The supplementary information provides detailed information for each of the individual non-major funds.

A reconciliation to facilitate the comparison of the statement of net position to the governmental fund's balance sheet is presented. Also, a separate reconciliation from the statement of activities to the statement of revenues, expenditures, and changes in fund balances of governmental funds is presented. Both reconciliations are presented after the corresponding statement.

The District adopts an annual budget for its governmental funds. Budgetary comparison statements for the general fund and any major special revenue funds have been provided in the required supplementary information to demonstrate budget compliance as required by generally accepted accounting principles.

### **Proprietary Funds**

*Proprietary funds* operate similarly to a business. These funds have exchange transactions where each party receives and gives up nearly equal value for the essential activity for that fund. This fund type uses the accrual basis of accounting. The District does not have any proprietary funds.



## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022

### ***Fiduciary Funds***

The District also serves as a trustee, or fiduciary, for a retiree benefits fund to provide for obligated premiums that the District has in relation to retired employees' prior service. The assets of these organizations do not directly benefit the District. The District's responsibility is limited to ensuring the assets reported in these funds are used only for their intended purposes. *Fiduciary* activities are excluded from the District-wide financial statements because the District cannot use these assets to finance its operations. These funds follow the accrual basis of accounting that is described above in the District-wide Financial Statement section. There are two fiduciary financial statements, the *statement of net position* and the *statement of changes in net position* (operating statement).

### **Notes to the Financial Statements**

The *notes to the financial statements* provide additional information essential to understanding the data provided in the district-wide and fund financial statements. The notes to the financial statements follow the basic financial statements.

### **Required Supplementary Information**

The *required supplementary information and related notes* contain the information required to be reported under generally accepted accounting principles (GAAP). This information is not audited. Although not part of the basic financial statements, it is considered an essential part of financial reporting. The required supplementary information and related notes follow the notes to the financial statements.

### **Supplementary Information**

The *supplementary information* is provided for additional analysis and is not part of the basic financial statements. It includes the combining fund statements, which provide further details for the non-major governmental funds. This information follows the required supplementary information section.

## **FINANCIAL HIGHLIGHTS**

The assets and deferred outflows of resources of the District exceeded the liabilities and deferred inflows at the close of the fiscal year by \$210.0 million (*net position*), an increase of \$37.9 million over the prior year's net position. Of this amount, \$132.5 million represents the net investment in capital assets, and \$83.7 million is restricted; this results in an unrestricted net deficit balance of \$6.2 million.

Total capital assets, net of accumulated depreciation and amortization, decreased by \$2.1 million due to the finalization of the phase II energy efficiency projects and the first year depreciation related to those projects.



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **JUNE 30, 2022**

The net pension asset increased by \$15.5 million due to the actuarial study performed on behalf of the State of Wisconsin Retirement System (WRS) with a measurement date of December 31, 2021. The District does not have control over the results of that study.

Other liabilities decreased by \$1.2 million due to a reduction in end of year payables for construction projects.

Long-term obligations on Table 8 decreased by \$9.2 million as a result of the scheduled principal payments for the general obligation bonds and related premiums decreased by \$7.8 million.

Other post-employment benefits (OPEB) liability decreased by \$3.7 million. The OPEB liability is a combination of two plan liabilities. The first OPEB liability included is the Wisconsin Department of Employee Trust Fund (ETF) Local Retiree Life Insurance Fund (LRLIF). The District participates in this multi-employer-defined benefit plan. It must record its proportionate share of the LRLIF in its statement of net position. This LRLIF OPEB obligation has a \$34.5 million liability, increasing \$2.4 million from the prior year. The District does not have control over the results of the LRLIF plan or study.

The District's single-employer defined benefit post-employment benefit plan liability comprises the remaining portion of the accrued other post-employment liability. This plan has an unfunded liability of approximately \$18.8 million, which decreased by approximately \$6.0 million from the previous year. The decrease resulted from the District recently reducing costs by moving to a high deductible health plan starting July 1, 2020, while also contributing more revenues than expenses through a pay-as-you-go-plus funding mechanism. The OPEB liability reflects the effect of this significant plan change.

In governmental funds, the total fund balance increased by \$10.5 million for two reasons. The General Fund experienced a surplus from operations of \$8.6 million. The Food Service fund experienced a surplus of \$2.5 million.

At the end of the current fiscal year, the General Fund's unassigned fund balance was approximately \$56.0 million. District policies require a minimum fund balance policy of 15% and a maximum of 20% of the ensuing year's budgeted General Fund expenditures. The \$56.0 million unassigned fund balance is approximately 19.7% of the fiscal year 2022 budgeted General Fund expenditures and is within the minimum and maximum fund balance amounts.



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

**Governmental Activities**

As previously stated, the district-wide financial statements are the *statement of net position* and *statement of activities*. These statements present an aggregate view of the District's finances, like a private-sector business. Both statements distinguish functions that are supported principally by property taxes and intergovernmental revenues, called *governmental activities*.

The most considerable portion of the District's net position is its net investment in capital assets (e. g. land, buildings, and equipment), less related outstanding debt used to acquire those assets. The District uses these assets to provide services to students and consequently are not available for future spending. \$132.5 million represents the net investment in capital assets.

Restricted net position accounts for 40% of the total net position. The restricted net position results from restrictions imposed by external groups such as creditors, grantors, or other governments or through enabling legislation. \$83.7 million is restricted; of this amount, \$1.6 million for debt service, \$3.2 million for food service programs, \$4.1 million for community service programs, \$0.2 million for scholarships, \$0.5 million for grants, and \$74.1 for the net pension asset.

The remaining net position, called unrestricted net position (deficit), increased \$16.3 million, resulting in a \$6.3 million net deficit. The unrestricted net deficit exists because of the required restriction for the net pension asset of \$74.1 million.



**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**

**Statement of Net Position**

Table 1 below summarizes the District's statement of net position for the year ended June 30, 2022, compared to 2021.

<b>Table 1</b> <b>Condensed Statement of Net Position</b> <b>(in thousands of dollars)</b>				
	Governmental Activities		\$ Change	% Change
	2022	2021		
<b>Assets</b>				
Current assets	\$ 128,574	\$ 119,346	\$ 9,228	7.7%
Net pension asset	74,079	58,583	15,496	26.5%
Capital assets	256,079	258,225	(2,146)	-0.8%
Total Assets	458,732	436,154	22,578	5.2%
<b>Deferred Outflows</b>				
Loss on advance refunding	197	263	(66)	-25.1%
Related to pension	139,736	92,598	47,138	50.9%
Related to OPEB	16,840	17,273	(433)	-2.5%
Total Deferred Outflows	156,773	110,134	46,639	42.3%
<b>Liabilities</b>				
Other liabilities	41,703	42,962	(1,259)	-2.9%
Long-term obligations	124,174	133,323	(9,149)	-6.9%
OPEB Liability	53,304	56,956	(3,652)	-6.4%
Total Liabilities	219,181	233,241	(14,060)	-6.0%
<b>Deferred Inflows</b>				
Related to pension	174,601	128,514	46,087	35.9%
Related to OPEB	11,719	12,389	(670)	-5.4%
Total Deferred Inflows	186,320	140,903	45,417	32.2%
<b>Net Position</b>				
Net investment in capital assets	132,508	128,800	3,708	2.9%
Restricted	83,761	65,932	17,829	27.0%
Unrestricted (deficit)	(6,264)	(22,588)	16,324	72.3%
Total Net Position	210,005	172,144	37,861	22.0%

*Note: May be rounding differences.*



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

***Changes in Net Position***

Table 2 provides summarized operating results and their impact on net position for the year ended June 30, 2022, compared to 2021.

<b>Table 2</b> <b>Changes in Net Position from Operating Results</b> <b>(in thousands of dollars)</b>				
	Governmental Activities		\$ Change	% Change
	2022	2021		
<b>Revenues</b>				
Program Revenues				
Charges for services	\$ 5,037	\$ 3,679	\$ 1,358	36.9%
Operating grants and contributions	58,654	42,263	16,391	38.8%
General Revenues				
Property taxes	89,912	95,772	(5,860)	-6.1%
State and federal aids not restricted	165,843	163,392	2,451	1.5%
Interest and investment earnings	111	34	77	226.5%
Miscellaneous	907	362	545	150.6%
<b>Total Revenues</b>	<b>320,464</b>	<b>305,502</b>	<b>14,962</b>	<b>4.9%</b>
<b>Expenses</b>				
Instruction	153,796	158,856	(5,060)	-3.2%
Support services	113,888	101,824	12,064	11.8%
Community services	835	536	299	55.8%
Non-program transactions	9,360	9,492	(132)	-1.4%
Interest and fiscal charges	4,724	4,151	573	13.8%
<b>Total Expenses</b>	<b>282,603</b>	<b>274,859</b>	<b>7,744</b>	<b>2.8%</b>
<b>Change in Net Position</b>	<b>\$ 37,861</b>	<b>\$ 30,643</b>	<b>\$ 7,218</b>	<b>23.6%</b>

*Note: May be rounding differences.*



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **JUNE 30, 2022**

#### **Revenues**

The District relies primarily on property taxes, state and federal aids that are not restricted, and operating grants and contributions to fund District activities and are 28.06%, 51.75%, and 18.30% of total revenues, respectively.

School funding regulations restrict, in combination, property tax, and general state equalization aid amounts. This restriction, called the revenue limit, is intended to help hold down increases in property taxes throughout the state. Property Taxes decreased by \$5.80 million or 6.1% from the prior year. State and federal aids not restricted increased \$2.4 million or 1.5% from the prior year.

General state equalization aid resides within the unrestricted state and federal aids amount. The state calculates general state equalization aid according to a complex formula. The formula considers district spending, pupil counts, and property values compared to spending and property values for the state as a whole. The District's general equalization state aid increased by \$2,516,613 or 1.72% over the prior year. As a result of the revenue limit, if general equalization aid decreases, then the property tax rate increases; however, the total of the two cannot exceed the revenue limit. The revenue limit and property taxes are discussed further in the Governmental Revenues section of this report.

Other variations between years existed within the sources of revenue as well. Program revenues, in the form of charges for services, increased \$1.4 million or 36.9% from the prior year due to an increase in building rentals, sporting activities or other co-curricular and extra-curricular fees collected as the District reconvened these activities.

Operating grants and contributions increased \$16.4 million for governmental activities compared to the prior year due to the increased spending of the federal COVID-19 stimulus funds.

Miscellaneous general revenues include general donations and gifts to the District. Those sources may vary from year to year based on the community's generosity. Interest and investment earnings are earnings on all cash sources. Investment earnings decreased due to an economy slowing down and providing reduced rates of return.

#### **Expenses**

Overall, total expenses experienced a net increase of \$7.7 million or 2.8% compared to the prior year. As the District reconvened after the Covid-19 lockdown, many of the support services and community services were reinstated, such as full pupil services, food services, and library services.

#### ***Total and Net Cost of Governmental Activities***

Table 3 presents the cost of the five major district activities. The table reports each activity's net cost (total cost fewer fees generated by the activities and intergovernmental aid provided for specific programs). The net cost reflects the financial burden placed on the District's taxpayers by each of these functions.





**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

<b>Table 3</b> <b>Total and Net Cost of Governmental Activities</b> <b>(in thousands of dollars)</b>								
	Total Cost of Services		\$ Change	% Change	Net Cost of Services		\$ Change	% Change
	2022	2021			2022	2021		
Instruction	\$ 153,796	\$ 158,856	\$ (5,060)	-3.2%	\$ 119,791	\$ 130,429	\$ (10,638)	-8.2%
Support services	113,888	101,824	12,064	11.8%	86,263	86,402	(139)	-0.2%
Community services	835	536	299	55.8%	798	534	264	49.4%
Non-program transactions	9,360	9,492	(132)	-1.4%	7,337	7,402	(65)	-0.9%
Interest and fiscal charges	4,724	4,151	573	13.8%	4,724	4,150	574	13.8%
Totals	<u>\$ 282,603</u>	<u>\$ 274,859</u>	<u>\$ 7,744</u>	<u>2.8%</u>	<u>\$ 218,913</u>	<u>\$ 228,917</u>	<u>\$ (10,004)</u>	<u>-4.4%</u>

*Note: May be rounding differences.*

The cost of all governmental activities this year was \$282,603,102. Individuals who directly participated or benefited from a program offering paid \$5,036,249 of the costs. Federal and state governments subsidized specific programs with grants and contributions of \$58,653,776. The general revenues of the District financed the net cost of governmental activities totaling \$218,913,077.

### **Governmental Funds**

The District uses fund accounting to provide information on inflows, outflows, and balances of spendable resources. Fund statements report operations in more detail than the district-wide statements and provide information that may help in evaluating a district's near-term financing requirements.



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

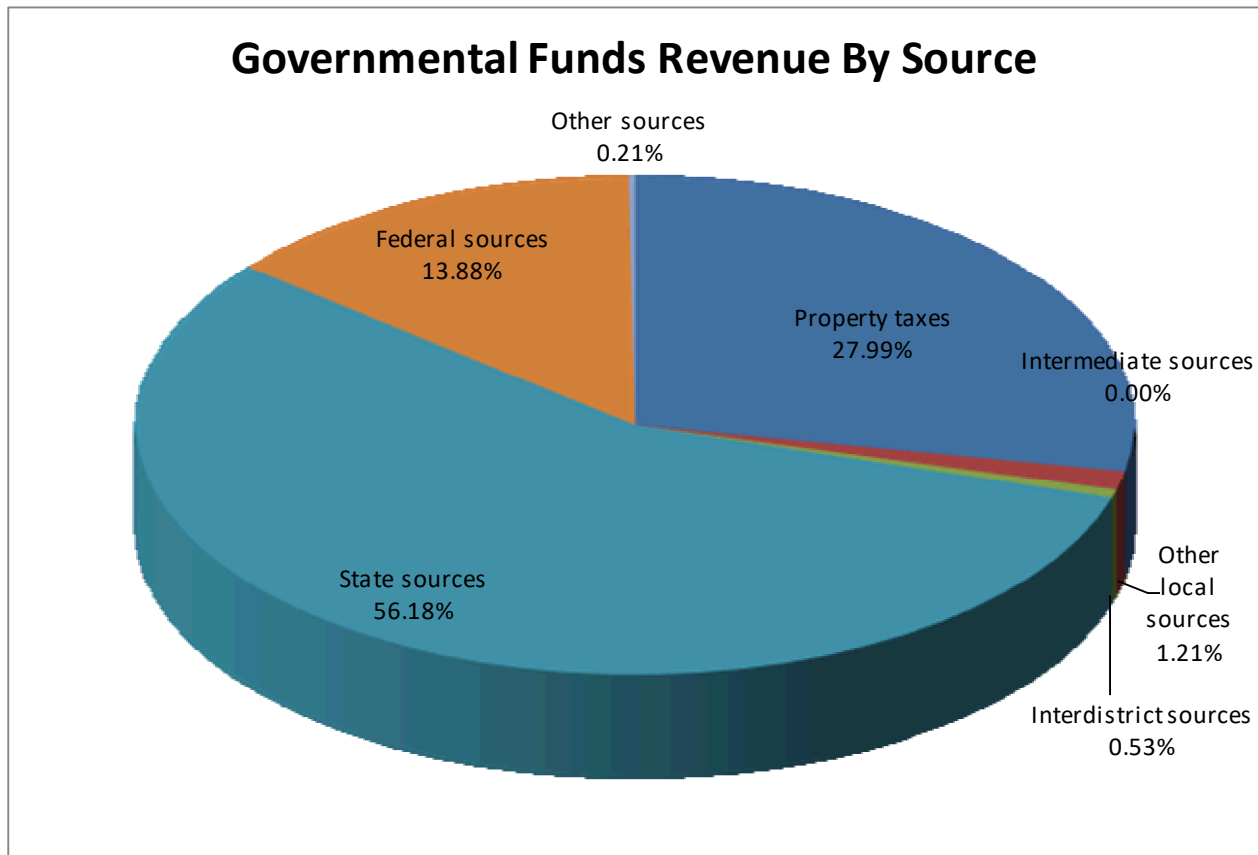
**Revenues**

Table 4 presents a comparison of the 2022 governmental funds revenue by source results to the 2021 results.

<b>Table 4</b> <b>Governmental Funds Revenue By Source</b> <b>(in thousands of dollars)</b>				
			\$	%
	2022	2021	Change	Change
Property taxes	\$ 89,696	\$ 95,574	\$ (5,878)	-6.15%
Other local sources	3,886	2,183	1,703	78.01%
Interdistrict sources	1,708	1,435	273	19.02%
Intermediate sources	-	-	-	0.00%
State sources	180,027	177,830	2,197	1.24%
Federal sources	44,470	27,635	16,835	60.92%
Other sources	657	926	(269)	-29.05%
Total	<u>\$ 320,444</u>	<u>\$ 305,583</u>	<u>\$ 14,861</u>	<u>4.9%</u>

*Note: May be rounding differences.*

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**



Total governmental fund revenues minimally increased from the prior year in total by 4.9%. However, significant fluctuations occurred amongst the revenue categories.

Total property taxes decreased 6.15% due to several factors. First, state law mandates that school district revenues be limited or what districts call the revenue limit. The revenue limit, in general, is the combination of general state aid and the local tax levy for funds 10 and 38. In total, the revenue limit for Fiscal Year 2021-2022 decreased from the prior year by 1.33%. The general state aid in the revenue limit increased by 1.72%, allowing less property taxes inside the limit to be collected. As depicted in the chart below, due to the increase in the revenue limit and the reduction of general state aid, the general fund (fund 10) had the ability to levy less taxes in 2021-2022. The District's total property tax levy of \$89,696,473 consists of the following levies:



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

Fund	2021-2022	2020-2021	Change	%
General (Fund 10)	\$75,891,832	\$80,475,961	(\$4,584,129)	(5.70%)
Non-Referendum Debt Service (Fund 38)	5,391,272	6,972,363	(1,581,091)	(22.67%)
Referendum Debt Service (Fund 39)	6,913,369	6,626,029	287,340	4.33%
Community Service (Fund 80)	1,500,000	1,500,000	-	0.00%
<b>Total</b>	<b>\$89,696,473</b>	<b>\$87,178,619</b>	<b>\$2,517,854</b>	<b>2.89%</b>

The total allowable general fund tax levy (inside limit) is \$75,891,832. The Debt Service levy is comprised of \$5,391,272 of non-referendum debt (inside of limit) and \$6,913,369 of referendum approved debt (outside of limit). The community service levy (outside of limit) is comprised of \$500,000 to operate the recreation department and senior center, as well as \$1,000,000 for other community service programs.

Other local sources increased \$1.7 million or 78.01% due to an increase in building rentals, sporting activities or other co-curricular and extra-curricular fees collected as the District reconvened these activities.

Federal sources increased \$16.8 million or 60.92% from the prior year due to the spending of the new federal COVID stimulus funds.



## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022

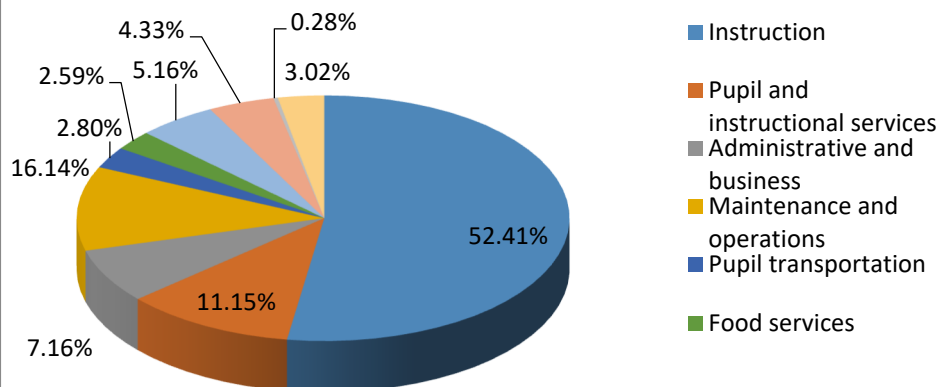
### Expenditures

Table 5 presents a comparison of the 2022 governmental funds expenditures by function results to the 2021 results.

<b>Table 5</b> <b>Governmental Funds Expenditures By Function</b> <b>(in thousands of dollars)</b>				
	2022	2021	\$ Change	% Change
Instruction	\$ 162,639	\$ 165,965	\$ (3,326)	-2.0%
Pupil and instructional services	34,610	33,569	1,041	3.1%
Administrative and business	22,224	21,468	756	3.5%
Maintenance and operations	34,427	36,850	(2,423)	-6.6%
Pupil transportation	8,698	7,309	1,389	19.0%
Food services	8,029	5,178	2,851	55.1%
Other support services	16,021	12,792	3,229	25.2%
Debt service	13,447	14,145	(698)	-4.9%
Community service	880	651	229	35.2%
Non-program transactions	9,360	9,508	(148)	-1.6%
<b>Total</b>	<b>\$ 310,335</b>	<b>\$ 307,435</b>	<b>\$ 2,900</b>	<b>0.9%</b>

*Note: May be rounding differences.*

### Governmental Funds Expenditures By Function





**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

Total governmental expenditures experienced an overall increase of \$2.9 million or .9% from the prior year due to As the District reconvened after the Covid-19 lockdown, many of the support services and community services were reinstated, such as full pupil services, food services, and library services.

***Fund Balance***

Table 6 provides a comparison of the governmental fund balances for the current year and the prior year.

<b>Table 6</b> <b>Comparison of Governmental Fund Balances</b> <b>(in thousands of dollars)</b>				
Fund	Fund Balance		\$ Change	% Change
	2022	2021		
General Fund	\$ 74,884	\$ 66,216	\$ 8,668	13.1%
Head Start	-	-	-	0.0%
Special Revenue Trust	2,276	2,179	97	100.0%
Food service	3,837	1,315	2,522	191.8%
Community service	4,155	3,882	273	7.0%
Debt service	2,646	2,816	(170)	-6.0%
Capital projects	-	879	(879)	-100.0%
	<u>\$ 87,798</u>	<u>\$ 77,287</u>	<u>\$ 10,511</u>	<u>13.6%</u>

*Note: May be rounding differences.*

The District completed the year with a fund balance of \$87,797,969, which increased from last year's ending fund balance of \$77,287,964 due to the following:

The general fund had an increase in fund balance of \$8,668,000. The general fund's actual results are discussed further in the General Fund Budgetary Highlights below.

The special revenue trust fund had an increase in fund balance of \$97,143. The special revenue trust fund tracks the use of gifts and donations from private parties. As a result of GASB Statement No. 84 – Fiduciary Funds, the special revenue trust fund now also tracks the use of student scholarships and what was formerly called student activity funds.

The food service fund balance had an increase of \$2,522,078. The food service department experienced an increase in federal revenues because the meal reimbursement rate for all meals returned to the reimbursement rates under the Free and Reduced National School Lunch and Breakfast Programs.



## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022**

The community service fund's fund balance will fluctuate each year based on community service activities' timing. In the current year, many of the community programs that were canceled due to the COVID-19 pandemic in the prior year reconvened in fiscal year 2022.

The debt service fund balance had a decrease of \$170,628. The debt service fund's fund balance will fluctuate each year based on bond activity and bond payment timing.

The capital project fund had a decrease in the fund balance of \$879,444. The capital projects fund balance will fluctuate depending on the various projects' status and the corresponding unspent bond proceeds. Several years ago, the District issued \$75 million in debt obligations to complete phase II of the energy efficiency projects. The District expects the energy efficiency projects were completed in fiscal year 2022.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The District authorizes expenditures before the formal adoption of the budget in June for the subsequent fiscal year (beginning July 1st). Consistent with current state statutes and regulations, an original budget is adopted in October, following a determination of the official enrollment, the certification of general state aids, and equalized property valuations. After the October budget adoption, the District then notifies its respective municipalities of their share of the tax levy no later than November 10th, in compliance with Wis. Stat. 120.12(3)(a).

For budgetary purposes, DPI requires the District to separate the special education revenues and expenditures (Fund 27) from the general fund (fund 10) amounts. The required supplementary information section displays the budgetary schedules. The discussion below has been categorized by each fund.



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**General Fund (Fund 10)**

The general fund was originally budgeted with a decrease of \$1,087,041 in fund balance. The actual net change in the fund balance resulted in a surplus of \$8,668,000. The general fund surplus occurred due to several items. First, the District had approximately \$4.7 million in FTE's salaries and benefits surplus for positions not filled across the various functions. Also, the District did not expect to receive the Governors CBRF monies of \$2.6 million in fiscal year 2022. These funds will be used to balance the 2022-2023 budget. An assignment has been included in the general fund fund balance for the Governors CBRF monies. Also, the State of Wisconsin's Get Kids Ahead money of \$272,343 was not spent in fiscal year 2022. This grant is expected to be spent next year and is restricted in the general fund balance. Annually, a curriculum development amount is included in the budget. The amount for fiscal year 2022 was \$1,987,000. The curriculum amount was not spent and added to the general fund surplus. Finally, the District did contribute \$1,000,000 more to the OPEB Trust as originally planned. Planned contribution was \$2 million and actual additional contribution was \$3 million.

**Special Education Fund**

The special education fund was budgeted, anticipating a zero fund balance as required by DPI. To achieve the zero fund balance, the general fund finances excess special education fund expenditures with a transfer to the special education fund. The transfer into the special education fund from the general fund was \$3,904,018 less than budgeted.

The special education fund's expenditures budget to actual results emulates the general fund expenditure budget to actual results for similar reasons. The special education instruction function and support services function spent less than budget due to unfilled budgeted full-time equivalents (FTE's) during the year.





**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**

**CAPITAL ASSETS**

At the end of the fiscal year 2022, the District had invested \$385,258,553 in capital assets, including buildings, sites, and equipment (See Table 7). Total accumulated depreciation and amortization on the capital assets totaled \$129,179,181. Capital Asset acquisitions for governmental activities totaled \$10,314,147. The majority of capital asset acquisitions are comprised of energy efficiency projects during the year, as shown in the building and improvements category. The District also removed furniture and equipment that has been disposed of as a result of the construction projects. Total disposals equal \$2,157,840. The District recognized a depreciation/amortization expense of \$12,202,036 for governmental activities. Detailed information about capital assets can be found in Note 2(B) in the notes to the financial statements.

<b>Table 7</b> <b>Capital Assets</b> <b>(in thousands of dollars)</b>				
	Governmental Activities		\$ Change	% Change
	2022	2021		
Land	\$ 10,053	\$ 10,053	\$ -	0.0%
Construction in progress	8,583	25	8,558	34232.0%
Land improvements	16,857	17,272	(415)	-2.4%
Buildings and improvements	298,749	298,067	682	0.2%
Furniture and equipment	47,853	48,583	(730)	-1.5%
Leased Assets (Right to Use)	3,163	3,102	61	2.0%
<b>Total</b>	<b>\$ 385,258</b>	<b>\$ 377,102</b>	<b>\$ 8,156</b>	<b>2.2%</b>

*Note: May be rounding differences.*



**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**

**OUTSTANDING LONG-TERM OBLIGATIONS ADMINISTRATION**

Outstanding long-term obligations include general obligation debt and related premiums and discounts, lease liabilities, and compensated absences. These liabilities are shown below in Table 8. At the time of issuance, the School Board secures the debt of the District by adopting an irrevocable tax levy. Wisconsin state statutes require that the District segregates the first property tax receipts for annual debt service payments. Long-term obligations decreased by \$9.1 million mainly due to the scheduled principal payments for the general obligation bonds and related premiums decreased by \$7.9 million.

<b>Table 8</b> <b>Outstanding Long-term Obligations</b> <b>(in thousands of dollars)</b>				
	Governmental Activities		\$ Change	% Change
	2022	2021		
General Obligation Bonds	\$ 111,115	\$ 118,975	\$ (7,860)	-6.6%
Debt premium	8,230	9,072	(842)	-9.3%
Lease Liability - Right to Use	1,626	1,771	(145)	-8.2%
Lease Liability - Financed Purchase	472	750	(278)	-37.1%
Compensated absences	2,731	2,756	(25)	-0.9%
<b>Total</b>	<b>\$ 124,174</b>	<b>\$ 133,324</b>	<b>\$ (9,150)</b>	<b>-6.9%</b>

*Note: May be rounding differences.*



## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022**

### **FACTORS BEARING ON THE DISTRICT'S FUTURE**

Currently known circumstances that will impact the District's financial status in the future are as follows:

The District is continuing to experience expected declining enrollment, primarily attributed to decreased births in the community. This lower birthrate occurred most significantly from 2008 to 2012, which first impacted kindergarten enrollments during the 2013-2014 school year. The 2020-21 enrollment was 19,583. The 2021-22 enrollment was 19,620, where we gained students in pre-kindergarten and kindergarten from those who chose to delay schooling due to the pandemic in the previous year.

On September 18, 2020, Moody's Investors Service affirmed a MIG 1 short-term rating to the District's short-term tax and revenue anticipation promissory notes. This rating is the highest rating for short-term debt obligations. The MIG 1 short-term rating incorporates the historical timeliness and predictability of pledged revenues, which include property tax receipts and state aid, the accuracy of the District's past cash flow projections, as well as the reasonableness of the District's future cash flow projections.

On September 18, 2020, Moody's Investors Service assigned an underlying rating of Aa2 to the District's long-term debt issued in the form of general obligation bonds. The Aa2 rating reflects the District's healthy financial position, sizable and growing tax base, and modest debt burden. Also incorporated are declining enrollment factors and a moderate pension burden.

The District's tax base has experienced modest growth given the recent recovery in property valuations and ongoing development in the local economy. The District, located in Kenosha County along the busy 1-94 transportation corridor and benefits from its position between the converging Milwaukee and Chicago metro areas. Significant development activity in Pleasant Prairie, which is within the District's boundaries, continues to occur. Kenosha County is one of the fastest-growing regions in the State of Wisconsin.

The overall economic conditions continue to be positive in and around Kenosha County. Kenosha County's unemployment rate continues to hover in the low to mid 3% range, with a solid job and employment growth in the County, before the COVID-19 pandemic. The tight labor market is driving wage inflation, particularly in certain entry-level occupations. The strong job market and a growing industrial economy have also fueled residential growth.



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

The District designs the financial report to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and demonstrates the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Kenosha Unified School District Finance Department (262-359-6300), Kenosha Unified School District, 3600 52<sup>nd</sup> Street, Kenosha, WI 53144.

## **BASIC FINANCIAL STATEMENTS**

**KENOSHA UNIFIED SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2022**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and Investments	\$ 90,817,037
Receivables:	
Taxes	18,073,699
Accounts, Net	3,112,620
Due from Other Governments	14,265,110
Inventories and Prepaid Items	2,305,159
Net Pension Asset	74,078,995
Capital Assets:	
Nondepreciable	18,636,472
Depreciable/Amortizable	237,442,900
Total Assets	<u>458,731,992</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Loss on Advance Refunding	197,269
Pension Related Amounts	139,736,289
Other Postemployment Related Amounts	16,840,640
Total Deferred Outflows of Resources	<u>156,774,198</u>
<b>LIABILITIES</b>	
Short-Term Notes Payable	10,000,000
Accounts Payable	12,228,381
Accrued and Other Current Liabilities	17,904,304
Accrued Interest Payable	1,200,759
Unearned Revenues	150,030
Deposits Payable	219,197
Long-Term Obligations:	
Due in One Year	9,025,297
Due in More Than One Year	115,149,290
Other Postemployment Benefits Liability	53,303,842
Total Liabilities	<u>219,181,100</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension Related Amounts	174,601,411
Other Postemployment Related Amounts	11,718,758
Total Deferred Inflows of Resources	<u>186,320,169</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	132,508,127
Restricted	83,760,762
Unrestricted	(6,263,968)
Total Net Position	<u>\$ 210,004,921</u>

See accompanying Notes to Basic Financial Statements.

**KENOSHA UNIFIED SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022**

					Net (Expense) Revenue and Changes in Net Position
Functions/Programs	Expenses	Program Revenues			Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>GOVERNMENTAL ACTIVITIES</b>					
Instruction	\$ 153,795,541	\$ 892,765	\$ 33,112,243	\$ -	\$ (119,790,533)
Support Services	113,887,779	2,399,109	25,225,746	-	(86,262,924)
Community Services	835,319	36,877	-	-	(798,442)
Nonprogram	9,360,040	1,707,498	315,787	-	(7,336,755)
Interest and Fiscal Charges	4,724,423	-	-	-	(4,724,423)
Total Governmental Activities	<u>\$ 282,603,102</u>	<u>\$ 5,036,249</u>	<u>\$ 58,653,776</u>	<u>\$ -</u>	<u>(218,913,077)</u>
<b>GENERAL REVENUES</b>					
Property Taxes					89,696,473
Other Taxes					215,070
State and Federal Aids Not Restricted to Specific Functions					165,843,092
Interest and Investment Earnings					111,108
Contributions and Gifts					393,142
Miscellaneous					515,602
Total General Revenues					<u>256,774,487</u>
<b>CHANGE IN NET POSITION</b>					37,861,410
Net Position - Beginning of Year					<u>172,143,511</u>
<b>NET POSITION - END OF YEAR</b>					<u>\$ 210,004,921</u>

See accompanying Notes to Basic Financial Statements.

**KENOSHA UNIFIED SCHOOL DISTRICT  
BALANCE SHEET — GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	General	Capital Projects	Debt Service	Other Governmental Funds	Total
<b>ASSETS</b>					
Cash and Investments	\$ 78,624,788	\$ -	\$ 2,645,748	\$ 9,546,501	\$ 90,817,037
Receivables:					
Taxes	18,073,699	-	-	-	18,073,699
Accounts, Net	3,036,391	-	-	76,229	3,112,620
Due from Other Funds	287,818	-	-	-	287,818
Due from Other Governments	13,650,736	-	-	614,374	14,265,110
Inventories and Prepaid Items	1,634,246	-	-	670,913	2,305,159
Total Assets	<u>\$ 115,307,678</u>	<u>\$ -</u>	<u>\$ 2,645,748</u>	<u>\$ 10,908,017</u>	<u>\$ 128,861,443</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Short-Term Notes Payable	\$ 10,000,000	\$ -	\$ -	\$ -	\$ 10,000,000
Accounts Payable	12,048,301	-	-	180,080	12,228,381
Accrued and Other Current Liabilities	18,044,712	-	-	-	18,044,712
Accrued Interest Payable	133,336	-	-	-	133,336
Due to Other Funds	-	-	-	287,818	287,818
Unearned Revenues	150,000	-	-	30	150,030
Deposits Payable	46,815	-	-	172,382	219,197
Total Liabilities	<u>40,423,164</u>	<u>-</u>	<u>-</u>	<u>640,310</u>	<u>41,063,474</u>
<b>FUND BALANCES</b>					
Nonspendable	1,634,246	-	-	670,913	2,305,159
Restricted	552,666	-	2,645,748	7,550,776	10,749,190
Committed	7,637,377	-	-	2,046,018	9,683,395
Assigned	9,054,663	-	-	-	9,054,663
Unassigned	56,005,562	-	-	-	56,005,562
Total Fund Balances	<u>74,884,514</u>	<u>-</u>	<u>2,645,748</u>	<u>10,267,707</u>	<u>87,797,969</u>
Total Liabilities and Fund Balances	<u>\$ 115,307,678</u>	<u>\$ -</u>	<u>\$ 2,645,748</u>	<u>\$ 10,908,017</u>	<u>\$ 128,861,443</u>

See accompanying Notes to Basic Financial Statements.



**KENOSHA UNIFIED SCHOOL DISTRICT  
RECONCILIATION OF THE BALANCE SHEET — GOVERNMENTAL FUNDS TO  
THE STATEMENT OF NET POSITION  
JUNE 30, 2022**

**Reconciliation to the Statement of Net Position**

Total fund balances as shown on previous page	\$ 87,797,969
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	256,079,372
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Some deferred outflows and inflows of resources reflect changes in long-term liabilities (assets) and are not reported in the funds.

Deferred Outflows Loss on Advance Refunding	197,269
Deferred Outflows Related to Pensions	139,736,289
Deferred Inflows Related to Pensions	(174,601,411)
Deferred Outflows Related to Other Postemployment Benefits	16,840,640
Deferred Inflows Related to Other Postemployment Benefits	(11,718,758)

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

Bonds and Notes Payable	(111,115,000)
Premium on Debt	(8,230,369)
Lease Liability - Right-to-Use	(1,625,718)
Lease Liability - Finance Purchase	(472,487)
Compensated Absences	(2,590,605)
Other Postemployment Benefits Liability	(53,303,842)
Net Pension Liability (Asset)	74,078,995
Accrued Interest on Long-Term Obligations	<u>(1,067,423)</u>

**Net Position of Governmental Activities as Reported on the  
Statement of Net Position**

	<u><u>\$ 210,004,921</u></u>
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**KENOSHA UNIFIED SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	General	Capital Projects	Debt Service	Other Governmental Funds	Total
<b>REVENUES</b>					
Property Taxes	\$ 75,891,832	\$ -	\$ 12,304,641	\$ 1,500,000	\$ 89,696,473
Other Local Sources	2,025,100	169	4,320	1,856,559	3,886,148
Interdistrict Sources	1,707,498	-	-	-	1,707,498
State Sources	180,008,569	-	-	18,750	180,027,319
Federal Sources	31,676,795	-	-	12,792,754	44,469,549
Other Sources	528,120	115,805	-	12,850	656,775
Total Revenues	291,837,914	115,974	12,308,961	16,180,913	320,443,762
<b>EXPENDITURES</b>					
Instruction:					
Regular Instruction	110,892,720	-	-	378,395	111,271,115
Vocational Instruction	4,781,455	-	-	-	4,781,455
Special Education Instruction	37,102,326	-	-	-	37,102,326
Other Instruction	8,608,136	-	-	876,172	9,484,308
Total Instruction	161,384,637	-	-	1,254,567	162,639,204
Support Services:					
Pupil Services	18,450,318	-	-	534,623	18,984,941
Instructional Staff Services	15,545,251	-	-	79,549	15,624,800
General Administration Services	1,689,918	-	-	366,107	2,056,025
School Administration Services	15,796,687	-	-	1,778,034	17,574,721
Business Services	2,593,398	-	-	-	2,593,398
Operations and Maintenance of Plant	33,207,543	995,418	-	224,235	34,427,196
Pupil Transportation Services	8,635,903	-	-	62,399	8,698,302
Food Services	-	-	-	8,029,488	8,029,488
Central Services	3,044,337	-	-	-	3,044,337
Insurance	705,689	-	-	-	705,689
Other Support Services	12,270,386	-	-	-	12,270,386
Total Support Services	111,939,430	995,418	-	11,074,435	124,009,283
Debt Service:					
Principal	804,118	-	7,860,000	-	8,664,118
Interest and Fiscal Charges	163,578	-	4,619,589	-	4,783,167
Total Debt Service	967,696	-	12,479,589	-	13,447,285
Community Service	-	-	-	879,751	879,751
Nonprogram:					
General Tuition Payments	8,749,016	-	-	-	8,749,016
Post-Secondary Scholarship Expenditures	-	-	-	14,650	14,650
Special Education Tuition Payments	61,538	-	-	-	61,538
Adjustments and Refunds	534,836	-	-	-	534,836
Total Nonprogram	9,345,390	-	-	14,650	9,360,040
Total Expenditures	283,637,153	995,418	12,479,589	13,223,403	310,335,563
<b>EXCESS OF REVENUES OVER (UNDER)</b>					
<b>EXPENDITURES</b>	8,200,761	(879,444)	(170,628)	2,957,510	10,108,199
<b>OTHER FINANCING SOURCES (USES)</b>					
Leases Issued	381,056	-	-	-	381,056
Proceeds from Sale of Capital Assets	20,750	-	-	-	20,750
Transfers In	65,433	-	-	-	65,433
Transfers Out	-	-	-	(65,433)	(65,433)
Total Other Financing Sources (Uses)	467,239	-	-	(65,433)	401,806
<b>NET CHANGE IN FUND BALANCES</b>	8,668,000	(879,444)	(170,628)	2,892,077	10,510,005
Fund Balances - Beginning of Year	66,216,514	879,444	2,816,376	7,375,630	77,287,964
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 74,884,514</u>	<u>\$ -</u>	<u>\$ 2,645,748</u>	<u>\$ 10,267,707</u>	<u>\$ 87,797,969</u>

See accompanying Notes to Basic Financial Statements.

**KENOSHA UNIFIED SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2022**

**Reconciliation to the Statement of Activities**

Net change in fund balances as shown on previous page \$ 10,510,005

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

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

Capital Assets Reported as Capital Outlay Reported in Governmental Fund Statements	10,283,048
Contributed Capital Assets	31,099
Depreciation Expense Reported in the Statement of Activities	(12,202,036)
Net Book Value of Disposals	(257,831)

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

Right-to-Use Leases Issued	(381,056)
Right-to-Use Leases Paid	526,315
Finance Purchase Leases Paid	277,803
Long-Term Debt - Principal Paid	7,860,000

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Accrued Interest on Long-Term Debt	87,475
Amortization of Debt Premium	841,143
Amortization of Loss on Advance Refunding	(65,756)
Compensated Absences	(86,775)
Net Pension Liability (Asset)	15,496,445
Deferred Outflows of Resources Related to Pensions	47,138,035
Deferred Inflows of Resources Related to Pensions	(46,087,429)
Other Postemployment Benefits	3,652,574
Deferred Outflows of Resources Related to Other Postemployment Benefits	(432,321)
Deferred Inflows of Resources Related to Other Postemployment Benefits	670,672

**Change in Net Position of Governmental Activities as Reported in the Statement of Activities**

\$ 37,861,410

**KENOSHA UNIFIED SCHOOL DISTRICT  
STATEMENT OF NET POSITION — FIDUCIARY FUNDS  
JUNE 30, 2022**

	Retiree Health Insurance
<b>ASSETS</b>	
Cash and Investments	\$ 49,029,303
Accounts Receivable	<u>6,468,449</u>
Total Assets	<u>55,497,752</u>
<b>LIABILITIES</b>	
Accounts Payable	<u>2,637,836</u>
Total Liabilities	<u>2,637,836</u>
<b>NET POSITION</b>	
Restricted for Post Employment Benefits	<u><u>\$ 52,859,916</u></u>

*See accompanying Notes to Basic Financial Statements.*

**KENOSHA UNIFIED SCHOOL DISTRICT  
STATEMENT OF CHANGES IN NET POSITION — FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2022**

	Retiree Health Insurance
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 12,984,449
Plan Members	492,484
Investment Earnings	<u>70,487</u>
Total Additions	<u>13,547,420</u>
<b>DEDUCTIONS</b>	
Trust Fund Disbursements	<u>5,670,319</u>
Total Deductions	<u>5,670,319</u>
<b>CHANGE IN NET POSITION</b>	7,877,101
Net Position - Beginning of Year	<u>44,982,815</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 52,859,916</u></u>

*See accompanying Notes to Basic Financial Statements.*

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The District is organized as a common school district governed by an elected seven-member school board. The District operates grades pre-kindergarten through grade 12, Head Start, and several adult education and recreation programs. The District is comprised of four municipal taxing districts (City of Kenosha, Village of Pleasant Prairie, Village of Somers and Town of Somers).

In accordance with U.S. GAAP, the basic financial statements are required to include the District (the primary government) and any separate component units that have a significant operational or financial relationship with the District. The District has not identified any component units that are required to be included in the basic financial statements in accordance with standards.

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

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services. The District has no business-type activities.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the district-wide financial statements. Governmental funds include general, special revenue, debt service and capital projects funds. The District has no proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

The District reports the following major governmental funds:

**General Fund**

This is the District's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The District follows the regulatory requirements of the Wisconsin Department of Public Instruction, which requires educational programs for students with disabilities to be reported in a Special Education Fund (Fund 27), separate from other instructional activities reported in the General Fund (Fund 10). Under U.S. GAAP, the activities of the Special Education Fund are reported with General Fund activities because excess expenditures within the Special Education Fund are financed by a transfer from Fund 10. General Fund sources include financial aid received from the state and federal government and payments from other school districts.

**Capital Projects Fund**

This fund accounts for the resources restricted for the acquisition or construction of specific capital projects or items.

**Debt Service Fund**

This fund accounts for the resources restricted for the repayment of principal and interest on outstanding debt.

The District reports the following nonmajor governmental funds:

- Special Revenue Funds: Head Start; Special Revenue Trust; Food Service; and Community Service.

Additionally, the District reports the following fund types:

- The Retiree Health Insurance fund is used to account for resources legally held in trust for other postemployment benefits.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

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

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

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

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

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

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



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**1. Cash and Investments**

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

**2. Property Taxes**

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

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

**3. Accounts Receivable**

Accounts receivable are recorded net of allowance for uncollectible amounts. The allowance for uncollectible accounts was \$273,632 on June 30, 2022.

**4. Interfund Receivables and Payables**

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**5. Inventories**

Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

Inventories of governmental funds in the fund financial statements are offset by nonspendable fund balance to indicate that they do not represent spendable available financial resources.

**6. Prepaid Items**

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are accounted for on the consumption method.

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

**7. Capital Assets**

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

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

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

Assets	Governmental Activities Years
Buildings	50
Building Improvement	20 to 25
Land Improvements	10 to 20
Furniture & Equipment	4 to 15
Computer & Related Technology	4 to 10

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**8. Compensated Absences**

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

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

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

**10. Long-Term Obligations**

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

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

**11. Leases**

Lessee:

The District is a lessee for various equipment, vehicles and building space. The District recognizes a lease liability – finance purchase and a capital asset or recognizes a lease liability – right to use and an intangible right-to use lease asset in the district-wide financial statements based on the criteria dictated in GASB Statement No. 87, *Leases*.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**11. Leases (Continued)**

At the commencement of a lease, the District determines based on the criteria dictated in GASB Statement No. 87, *Leases*, if the lease is a financed purchased or a right to use lease liability. Then the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease liabilities are reported with the long-term obligations on the statement of net position.

A finance purchased asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The asset is depreciated on a straight line basis over the life of the lease which is considered the asset's useful life. The asset is reported with the District capital assets as land, land improvements, buildings and improvements or furniture and equipment.

An intangible right-to use lease asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The intangible right-to-use lease asset is amortized on a straight line basis over the life of the lease. The intangible right-to-use lease asset is reported with the District capital assets in its own category called Leased Assets (Right to Use).

Key estimates and judgements related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**11. Leases (Continued)**

The District accounts for contracts containing both lease and non-lease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and non-lease components, and it is impractical to estimate the price of such components, the District treats the components as a single lease unit.

The District monitors changes in circumstances that would require a re-measurement of its lease and will re-measure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease.

**12. Pensions**

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (revenue), information about the fiduciary net position of the Wisconsin Retirement System (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.

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

**Local Retiree Life Insurance Fund**

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense (revenue), and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of member contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**13. Other Postemployment Benefits Other Than Pensions (OPEB) (Continued)**

**Single-Employer Defined Postemployment Benefit Plan**

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

**14. Fund Equity**

**Governmental Fund Financial Statements**

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

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

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**14. Fund Equity (Continued)**

**Governmental Fund Financial Statements (Continued)**

The District maintains a minimum fund balance policy for the General Fund. The policy states that the unassigned fund balance in the General Fund will be equal to a minimum of 15% and a maximum of 20% of the ensuing year's budgeted General Fund expenditures.

**District-Wide Statements**

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

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

**E. Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 2 DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

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

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

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool. Investments in the private-purpose trust fund may be invested in other types of investments as authorized under Wisconsin Statute 881.01, "Uniform Prudent Investor Act."

The carrying amount of the District's cash and investments totaled \$139,846,340 on June 30, 2022 as summarized below:

Petty Cash and Cash on Hand	\$ 13,414
Deposits with Financial Institutions	4,545,498
Investments:	
Repurchase Agreement	1,157,095
Wisconsin Investment Series Cooperative (WISC):	
Cash Management Series	1,307
Investment Series	124,924,612
Term Series	9,203,196
Wisconsin Local Government Investment Pool	1,218
Total	<u><u>\$ 139,846,340</u></u>

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 90,817,037
Fiduciary Fund Statement of Net Position:	
Retiree Health Insurance	49,029,303
Total	<u><u>\$ 139,846,340</u></u>

**Fair Value Measurements**

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



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**Fair Value Measurements (Continued)**

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

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

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

*Level 3* – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions

The District did have any assets or liabilities subject to fair value measurement as of June 30, 2022.

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

**Custodial Credit Risk**

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**Custodial Credit Risk (Continued)**

Deposits with financial institutions within the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the state of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Also, the state of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of June 30, 2022, \$5,592,563 of the District's deposits with financial institutions were in excess of federal and state depository insurance limits and were collateralized with securities held by the pledging financial institution or its trust department or agent in the District's name.

On June 30, 2022, the District held repurchase agreement investments of \$1,157,095 of which the underlying securities are held by the investment's counterparty, not in the name of the District.

**Credit Risk**

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

Investment Type	Amount	Exempt from Disclosure	AAA	AA	Not Rated
Wisconsin Local Government					
Investment Pool	\$ 1,218	\$ -	\$ -	\$ -	\$ 1,218
WISC Investments					
Cash Management Series	1,307	-	1,307	-	-
Investment Series	124,924,612	-	124,924,612	-	-
Term Series	9,203,196	-	9,203,196	-	-
Totals	<u>\$ 134,130,333</u>	<u>\$ -</u>	<u>\$ 134,129,115</u>	<u>\$ -</u>	<u>\$ 1,218</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**Concentration of Credit Risk**

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer. At June 30, 2022, the District had no investments in any one issuer (other than external investment pools) that represent 5% or more of total District investments.

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. As of June 30, 2022, the Wisconsin local government investment pool had a weighted average maturity of 74 days.

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

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Wisconsin Local Government					
Investment Pool	\$ 1,218	\$ 1,218	\$ -	\$ -	\$ -
WISC Investments					
Cash Management Series	1,307	1,307	-	-	-
Investment Series	124,924,612	124,924,612	-	-	-
Term Series	9,203,196	9,203,196	-	-	-
Repurchase Agreements	1,157,095	1,157,095	-	-	-
Totals	<u>\$ 135,287,428</u>	<u>\$ 135,287,428</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations**

The District's investments do not include investments that are highly sensitive to interest rate fluctuations.

**Investment in Wisconsin Investment Series Cooperation**

The District has investments in the Wisconsin Investment Series Cooperative (WISC) of \$134,129,115 at year-end consisting of \$1,307 invested in the Cash Management Series, \$124,924,612 invested in the Investment Series, and \$9,203,196 invested in the Term Series. The Cash Management Series has no minimum investment period, allows check writing privileges, and the average dollar weighted maturity is ninety (90) days or less. The Investment Series requires a 14 day minimum investment period and one business day withdrawal notice, and the average dollar weighted maturity is one hundred twenty (120) days or less.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**Investment in Wisconsin Investment Series Cooperation (Continued)**

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

**Investment in Wisconsin Local Government Investment Pool**

The District has investments in the Wisconsin Local Government Investment Pool (LGIP) of \$1,218 at year-end. The LGIP is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. 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. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At June 30, 2022, the fair value of the District's share of the LGIP's assets was substantially equal to the carrying value.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**B. Capital Assets**

Capital asset activity for the year ended June 30, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets, Nondepreciable/Nonamortized:				
Land	\$ 10,053,223	\$ -	\$ -	\$ 10,053,223
Construction in Progress	25,203	8,863,597	305,551	8,583,249
Total Capital Assets, Nondepreciable/Nonamortized	10,078,426	8,863,597	305,551	18,636,472
Capital Assets, Depreciable/Amortizable:				
Land Improvements	17,271,753	-	414,821	16,856,932
Buildings and Improvements	298,066,649	682,786	-	298,749,435
Furniture and Equipment	48,583,153	687,613	1,417,553	47,853,213
Leased Assets (Right of Use)	3,102,265	385,702	325,466	3,162,501
Subtotals	367,023,820	1,756,101	2,157,840	366,622,081
Less Accumulated Depreciation/Amortization for:				
Land Improvements	6,627,119	738,491	413,952	6,951,658
Buildings and Improvements	97,481,692	8,125,766	-	105,607,458
Furniture and Equipment	13,260,452	2,883,387	1,308,120	14,835,719
Leased Assets (Right of Use)	1,507,891	454,392	177,937	1,784,346
Subtotals	118,877,154	12,202,036	1,900,009	129,179,181
Total Capital Assets, Depreciable/Amortizable, Net	248,146,666	(10,445,935)	257,831	237,442,900
Governmental Activities Capital Assets, Net	<u>\$ 258,225,092</u>	<u>\$ (1,582,338)</u>	<u>\$ 563,382</u>	256,079,372
Less: Capital Related Debt				(111,115,000)
Less: Financed Purchase and Right-to-Use Leases				(2,098,205)
Less: Debt Premium				(8,230,369)
Less: Retainage Payable and Construction-Related Accounts Payable				(2,324,940)
Add: Loss on Advance Refunding				197,269
Net Investment in Capital Assets				<u>\$ 132,508,127</u>

Amortization and depreciation expense was charged to functions of the District as follows:

	Amortization	Depreciation	Total
<b>Governmental Activities:</b>			
Instruction	\$ -	\$ 2,694,044	\$ 2,694,044
Support Services	454,392	9,050,642	9,505,034
Community Services	-	2,958	2,958
Total Depreciation/Amortization Expense - Governmental Activities	<u>\$ 454,392</u>	<u>\$ 11,747,644</u>	<u>\$ 12,202,036</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

Interfund receivables and payables between individual funds of the District, as reported in the fund financial statements, as of June 30, 2022 are detailed below:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Temporary Cash Advances to Finance		
Operating Cash Deficits:		
General	\$ 287,818	\$ -
Special Revenue:		
Head Start	-	287,818
Totals	<u>\$ 287,818</u>	<u>\$ 287,818</u>

Interfund transfers for the year ended June 30, 2022 were as follows:

<u>Funds</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ 65,433	\$ -
Special Revenue:		
Head Start	-	65,433
Total	<u>\$ 65,433</u>	<u>\$ 65,433</u>

Interfund transfers were made for the following purposes:

Indirect Cost Reimbursement	\$ 65,433
Total	<u>\$ 65,433</u>

**D. Short-Term Obligations**

The District issued tax and revenue anticipation promissory notes in advance of property tax collections. The notes are needed because District expenses for the year begin in July whereas tax collections are not received until January. Short-term debt activity for the year ended June 30, 2022 was as follows:

	<u>Outstanding 7/1/21</u>	<u>Issued</u>	<u>Retired</u>	<u>Outstanding 6/30/22</u>
Tax and Revenue Anticipation Notes	<u>\$ 9,075,000</u>	<u>\$ 10,000,000</u>	<u>\$ 9,075,000</u>	<u>\$ 10,000,000</u>

Total interest paid for the year on short-term debt totaled \$267,713.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**E. Long-Term Obligations**

The following is a summary of changes in long-term obligations of the District for the year ended June 30, 2022:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
General Obligation Debt:					
Bonds	\$ 118,975,000	\$ -	\$ 7,860,000	\$ 111,115,000	\$ 8,225,000
Total General Obligation Debt	118,975,000	-	7,860,000	111,115,000	8,225,000
Debt Premium	9,071,512	-	841,143	8,230,369	-
Lease Liability - Right-to-Use	1,770,977	381,056	526,315	1,625,718	433,597
Lease Liability - Financed Purchase	750,290	-	277,803	472,487	226,292
Compensated Absences	2,755,841	-	24,828	2,731,013	140,408
Governmental Activities					
Long-Term Obligations	<u>\$ 133,323,620</u>	<u>\$ 381,056</u>	<u>\$ 9,530,089</u>	<u>\$ 124,174,587</u>	<u>\$ 9,025,297</u>

Total interest paid during the year on long-term obligations totaled \$4,680,740.

**General Obligation Debt**

General obligation debt currently outstanding is detailed as follows:

		Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 6/30/22
General Obligation Bonds	Refinancing & EE Project	09/17/13	04/01/33	3.00%	\$ 23,100,000	\$ 11,230,000
General Obligation Bonds	Athletic Building	07/15/15	04/01/35	3.00% - 5.00%	30,005,000	17,825,000
General Obligation Bonds	Energy Efficiency Project	07/26/16	04/01/36	2.50% - 5.00%	28,945,000	15,605,000
General Obligation Bonds	Refunding & EE Project	06/15/17	04/01/37	3.00 - 5.00%	34,510,000	32,585,000
General Obligation Bonds	Refunding	10/08/19	04/01/29	3.00 - 5.00%	45,960,000	33,870,000
Total Outstanding General Obligation Debt						<u>\$ 111,115,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$111,115,000 on June 30, 2022 are detailed below:

Year Ended June 30,	Governmental Activities		
	Principal	Interest	Total
2023	\$ 8,225,000	\$ 4,269,691	\$ 12,494,691
2024	8,625,000	3,903,291	12,528,291
2025	9,055,000	3,479,591	12,534,591
2026	9,470,000	3,036,291	12,506,291
2027	9,860,000	2,598,241	12,458,241
2028-2032	38,965,000	8,094,631	47,059,631
2033-2037	26,915,000	2,276,520	29,191,520
Total	<u>\$ 111,115,000</u>	<u>\$ 27,658,256</u>	<u>\$ 138,773,256</u>

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**General Obligation Debt (Continued)**

The District's legal margin for creation of additional general obligation debt on June 30, 2022 was \$1,041,356,815 as follows:

Equalized Valuation of the District	\$ 11,524,718,146
Statutory Limitation Percentage	(x) 10%
General Obligation Debt Limitation, per Section 67.03 of the Wisconsin Statutes	1,152,471,815
Outstanding General Obligation Debt Applicable to Debt Limitation	111,115,000
Legal Margin for New Debt	<u><u>\$ 1,041,356,815</u></u>

**F. Leases**

**Lease Liability: Right-to-Use Asset Agreements**

During the current year, the District entered into three new right-to-use lease arrangements for vehicles and space. An initial lease liability was recorded in the amount of \$381,056 during the current fiscal year. The District is required to make various monthly principal and interest payments. The District used the incremental borrowing rate as the interest rate for the right-to-use asset agreements if an interest rate was not provided in the lease agreement.

The District leases vehicles and space for various terms under long-term, noncancelable lease arrangements. The leases expire at various dates through 2033.

Total principal and interest costs for such leases for governmental funds were \$865,267 for the year ended June 30, 2022. The future minimum lease payments for these agreements are as follows:

<u>Year Ended June 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 433,597	\$ 31,547	\$ 465,144
2024	230,118	26,771	256,889
2025	213,381	16,747	230,128
2026	155,858	16,066	171,924
2027	105,983	10,465	116,448
2028-2032	418,707	47,315	466,022
2033	68,074	1,925	69,999
Total	<u><u>\$ 1,625,718</u></u>	<u><u>\$ 150,836</u></u>	<u><u>\$ 1,776,554</u></u>



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**F. Leases (Continued)**

**Lease Liability: Right-to-Use Asset Agreements (Continued)**

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

	Governmental Activities
Right-to-Use Assets:	
Leased Asset - Buildings	\$ 2,163,037
Leased Asset - Machinery and Equipment	999,465
Subtotal	3,162,502
Less: Accumulated Amortization	(1,784,347)
Total	<u>\$ 1,378,155</u>

**Lease Liability: Financed Purchases**

The District is required to make various monthly principal and interest payments. These leases have an interest rate of 3.5% to 14.5%. The machinery and equipment will have estimated useful lives of 3 to 5. No down payments were required for these lease agreements. The financed purchase leases expire at various dates through 2026.

These lease agreements qualify as a financed purchase for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the date of their inception. The assets acquired through financed purchase leases are as follows:

	Governmental Activities
Assets:	
Furniture and Equipment	\$ 1,181,299
Less: Accumulated Amortization	(716,658)
Total	<u>\$ 464,641</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**F. Leases (Continued)**

**Lease Liability: Financed Purchases (Continued)**

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022 were as follows:

<u>Year Ended June 30,</u>	Governmental Activities		
	Principal	Interest	Total
2023	\$ 226,292	\$ 17,151	\$ 243,443
2024	135,928	9,301	145,229
2025	101,093	4,299	105,392
2026	9,174	85	9,259
Total	<u>\$ 472,487</u>	<u>\$ 30,836</u>	<u>\$ 503,323</u>

**G. Pension Plan**

**WRS Pension Plan Description**

The WRS is a cost-sharing, multiple-employer, defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible state of Wisconsin, local government, and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 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 <http://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

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

**Vesting**

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**G. Pension Plan (Continued)**

**Benefits Provided**

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

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

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

The WRS also provides death and disability benefits for employees.

**Postretirement Adjustments**

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

<u>Year Ended June 30.</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
2012	(7.0)	(7.0)
2013	(9.6)	9.0
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	-	(10.0)
2020	1.7	21.0
2021	5.1	13.0

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**G. 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, 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 July 1, 2021 through June 30, 2022, the WRS recognized \$10,101,695 in contributions from the District.

Contribution rates for the reporting period are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Including Teachers, Executives and Elected Officials)	6.50 %	6.50 %

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

At June 30, 2022, the District reported asset of \$74,078,995 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. 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 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, 2021, the District's proportion was 0.91907325%, which was a decrease of 0.01927768% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the District recognized pension revenue of \$6,407,420.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**G. Pension Plan (Continued)**

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

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 119,670,870	\$ 8,629,562
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	165,720,870
Changes in Assumptions	13,820,606	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	127,837	250,979
Employer Contributions Subsequent to the Measurement Date	6,116,976	-
Total	<u>\$ 139,736,289</u>	<u>\$ 174,601,411</u>

\$6,116,976 reported as deferred outflows related to pension resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>(Revenue) Expense</u>
2023	\$ (3,456,593)
2024	(20,138,895)
2025	(8,901,087)
2026	(8,485,523)
Total	<u>\$ (40,982,098)</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**G. Pension Plan (Continued)**

**Actuarial Assumptions**

The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2020
Measurement Date of Net Pension Liability (Asset):	December 31, 2021
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:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.7%

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

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. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, price inflation, mortality and separation rates. The Total Pension Liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the December 31, 2020 actuarial valuation.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**G. Pension Plan (Continued)**

**Actuarial Assumptions (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 arithmetic real rates of return for each major asset class are summarized in the following table:

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Core Fund Asset Class:			
Global Equities	52.0 %	6.8 %	4.2 %
Fixed Income	25.0	4.3	1.8
Inflation Sensitive Assets	19.0	2.7	0.2
Real Estate	7.0	5.6	3.0
Private Equity/Debt	12.0	9.7	7.0
Cash	(15.0)	0.9	N/A
Total Core Fund	<u>100.0 %</u>	<u>6.6 %</u>	<u>4.0 %</u>
Variable Fund Asset Class:			
U.S. Equities	70.0 %	6.3 %	3.7 %
International Equities	30.0	7.2	4.6
Total Variable Fund	<u>100.0 %</u>	<u>6.8 %</u>	<u>4.2 %</u>

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

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

The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 15% policy leverage is used, subject to an allowable range of up to 20%.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**G. Pension Plan (Continued)**

**Actuarial Assumptions (Continued)**

**Single Discount Rate**

A single discount rate of 6.8% was used to measure the total pension liability, as opposed to a discount rate of 7.0% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 1.84% (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, 2021. 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 members contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate**

The following presents the District's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80%, 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%) or 1-percentage-point higher (7.80%) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 52,564,299	\$ (74,078,995)	\$ (165,238,602)

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

**Payable to the Pension Plan**

At June 30, 2022, the District reported a payable of \$4,450,661 for the outstanding amount of contributions to the pension plan.



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**H. Other Postemployment Benefits**

The District reports OPEB related balances at June 30, 2022 as summarized below:

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Single-Employer Defined OPEB Plan	\$ 18,819,832	\$ 5,516,735	\$ 7,982,991	\$ 4,925,887
Local Retiree Life Insurance Fund (LRLIF)	34,484,010	11,323,905	3,735,767	4,287,055
Total	<u>\$ 53,303,842</u>	<u>\$ 16,840,640</u>	<u>\$ 11,718,758</u>	<u>\$ 9,212,942</u>

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

**Plan Description**

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

**Benefits Provided**

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

**Employees Covered by Benefit Terms**

As of the June 30, 2022 actuarial valuation, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	304
Active Employees	<u>1,929</u>
Total	<u><u>2,233</u></u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**1. Single-Employer Defined Benefit Postemployment Benefit Plan (Continued)**

**Contributions**

**Employee Category**

***Certified Teachers***

**Eligibility:**

Dental Benefits - Any retiree who was working more than half-time and has attained age 62 and 15 years of service.

All other benefits - Any retiree who was working more than half-time and has attained age 55 and 15 years of service.

Retiree Health Benefits: District pays 100% of the health insurance premium for single or family coverage for employees retiring at age 62 or older but before age 65. District pays 100% of the health insurance premium for single coverage for employees retiring prior to age 62. District portion is 88% for retirements after September 1, 2014. The health benefits coverage will terminate when the retiree attains age 65.

Retiree Dental Benefits: District pays 90% of the dental insurance premiums for family coverage. The dental benefits coverage will terminate when the retiree attains age 65.

***Service Employees***

**Eligibility:**

Any retiree who was working full-time and has attained age 55 and 15 years of service.

Retiree Health Benefits: District pays 98.3% of the health insurance premium for single coverage. District portion is 88% for retirements after September 1, 2014. The health benefits coverage will terminate when the retiree attains age 65.

***Carpenters and Painters***

**Eligibility:**

Any retiree who was working full-time and has attained age 57 and 15 years of service.

Retiree Health Benefits: District pays 98% of the health insurance premium for single coverage. District portion is 88% for retirements after September 1, 2014. The health benefits coverage will terminate when the retiree attains age 65.

***Secretaries***

**Eligibility:**

Any retiree who was working full-time and has attained age 57 and 15 years of service.

Retiree Health Benefits: District pays 98.3% of the health insurance premium for single coverage. District portion is 90% for retirements after September 1, 2014. The health benefits coverage will terminate when the retiree attains age 65.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**1. Single-Employer Defined Benefit Postemployment Benefit Plan (Continued)**

**Contributions (Continued)**

***Educational Assistants***

Eligibility: Any retiree who was working full-time and has attained age 57 and 15 years of service.

Retiree Health Benefits: District pays 100% of the health insurance premium for single coverage. The health benefits coverage will terminate when the retiree attains age 65.

***Administrators, Supervisors, and Technical Employees***

Eligibility: Any retiree who was working full-time and has attained 55 and 15 years of service.

Retiree Health Benefits: District portion is 88% for retirements after September 1, 2014. District paid up to 100% for retirements before September 1, 2014. The benefits coverage will terminate at age 65 for employees retiring with less than 20 years of service, at age 66 for employees retiring with 20 or more years of service but less than 25 years of service, and at age 67 for employees retiring with more than 25 years of service.

Retiree Dental Benefits: District pays 90% of the dental insurance premium for family coverage. The dental benefits coverage will terminate at age 65 for employees retiring with less than 20 years of service, at age 66 for employees retiring with 20 or more years of service but less than 25 years of service, and at age 67 for employees retiring with more than 25 years of service.

***Retiree Life***

Insurance Benefits: District pays a life insurance amount of 200% of the employee's compensation in the year before retirement if less than 66 years old, 150% of their salary if 66 years old, and 100% of their salary if 67 years old or older. No coverage for retirees after July 1, 2011.

***Miscellaneous and Interpreters***

Eligibility: Any Retiree who was working full-time and has attained age 55.

Retiree Health Benefits: Retiree pays 100% of the health insurance premium. The health benefits coverage will terminate when the retiree attains age 65.

**Net OPEB Liability**

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**1. Single-Employer Defined Benefit Postemployment Benefit Plan (Continued)**

**Net OPEB Liability (Continued)**

**Actuarial Assumptions**

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	2.20%
Salary Increases Including Inflation:	WRS
Investment Rate of Return:	2.56%
Healthcare Cost Trend Rates:	5.40% for 2021-22 decreasing to 5.10% for 2022-2023, and decreasing to 3.70% thereafter

Mortality rates are the same as those used in the Wisconsin 2020 Mortality Table.

The actuarial assumptions used in the June 30, 2022 valuation were based on the "Wisconsin Retirement System 2018 - 2020 Experience Study".

The long-term expected rate of return on OPEB plan investments was valued at 2.56%. A blend of expected earnings on District funds and the current yield for 20 year tax-exempt AA Municipal bond rate or higher as of the measurement date was used for all years of benefit payments.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 3.40%. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was not projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the discount rate for calculating the total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments and then municipal bond rate applied to benefit payments, to the extent that the plans' fiduciary net position is not projected to be sufficient.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**1. Single-Employer Defined Benefit Postemployment Benefit Plan (Continued)**

**Changes in the Net OPEB Liability**

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balance at July 1, 2021	\$ 69,821,498	\$ 44,982,814	\$ 24,838,684
Changes for the Year:			
Service Cost	5,162,700	-	5,162,700
Interest	1,565,965	-	1,565,965
Effect on Plan Changes	-	-	-
Effect of Economic/Demographic Gains or Losses	2,066,524	-	2,066,524
Effect of Assumptions Changes or Inputs	(1,266,619)	-	(1,266,619)
Contributions - Employer	-	12,984,449	(12,984,449)
Administrative Expenses	-	-	-
Member Contributions	-	492,484	(492,484)
Net Investment Income	-	70,489	(70,489)
Benefit Payments	(5,670,319)	(5,670,319)	-
Net Changes	1,858,251	7,877,103	(6,018,852)
Balance at June 30, 2022	<u>\$ 71,679,749</u>	<u>\$ 52,859,917</u>	<u>\$ 18,819,832</u>

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.40%) or 1-percentage-point higher (4.40%) than the current rate:

	1% Decrease to Discount Rate (2.40%)	Current Discount Rate (3.40%)	1% Increase to Discount Rate (4.40%)
Net OPEB Liability	\$ 23,357,705	\$ 18,819,832	\$ 14,492,169

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

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.40% decreasing to 2.70%) or 1-percentage-point higher (6.40% decreasing to 4.70%) than the current healthcare cost trend rates:

	1% Decrease (4.40% decreasing to 2.70%)	Healthcare Cost Trend Rates (5.40% decreasing to 3.70%)	1% Increase (6.40% decreasing to 4.70%)
Net OPEB Liability	\$ 12,207,004	\$ 18,819,832	\$ 26,514,922

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**1. Single-Employer Defined Benefit Postemployment Benefit Plan (Continued)**

**Changes in the Net OPEB Liability**

**OPEB Plan Fiduciary Net Position**

Information about the OPEB plan's fiduciary net position is presented in the Employee Benefit Trust Fund in these financial statements.

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2022, the District recognized OPEB expense of \$4,925,887. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 3,394,147	\$ 1,342,097
Changes in Assumptions	751,449	6,640,894
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	1,371,139	-
Total	<u>\$ 5,516,735</u>	<u>\$ 7,982,991</u>

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

<u>Year Ended June 30,</u>	(Revenue) Expense
2023	\$ (420,641)
2024	(462,410)
2025	(562,576)
2026	(596,540)
2027	(569,693)
Thereafter	145,604
Total	<u>\$ (2,466,256)</u>

**Payable to the OPEB Plan**

At June 30, 2022, the District reported a payable of \$6,468,449 for the outstanding amount of contribution to the plan.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**2. Local Retiree Life Insurance Fund (LRLIF)**

**Plan Description**

The LRLIF is a multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides postemployment life insurance benefits for all eligible members.

**OPEB Plan Fiduciary Net Position**

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

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can also be found using the link above.

**Benefits Provided**

The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired members and pre-65 retirees who pay for their coverage.

**Contributions**

The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a postretirement benefit.

Employers are required to pay the following contributions based on member contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the member premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of June 30, 2022 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Postretirement Coverage	40% of Member Contribution
25% Postretirement Coverage	20% of Member Contribution

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**2. Local Retiree Life Insurance Fund (Continued)**

**Contributions (Continued)**

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2021 are listed below:

Life Insurance Employee Contribution Rates* For the Year Ended December 31, 2021		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30 - 34	0.06	0.06
35 - 39	0.07	0.07
40 - 44	0.08	0.08
45 - 49	0.12	0.12
50 - 54	0.22	0.22
55 - 59	0.39	0.39
60 - 64	0.49	0.49
65 - 69	0.57	0.57

\* Disabled members under age 70 receive a waiver-of-premium benefit

During the year ended June 30, 2022, LRLIF recognized \$114,642 in contributions from the employer.

**OPEB Liabilities, OPEB Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2022, the District reported a liability of \$34,484,010 for its proportionate share of the net LRLIF OPEB liability. The net LRLIF OPEB liability was measured as of December 31, 2021, and the total LRLIF OPEB liability used to calculate the net LRLIF OPEB liability was determined by an actuarial valuation as of January 1, 2021 rolled forward to December 31, 2021. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net LRLIF OPEB liability was based on the District's share of contributions to the LRLIF OPEB plan relative to the contributions of all participating employers. At December 31, 2021, the District's proportion was 5.83449300%, which was a decrease of 0.00432800% from its proportion measured as of December 31, 2020.



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**2. Local Retiree Life Insurance Fund (Continued)**

**OPEB Liabilities, OPEB Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

For the year ended June 30, 2022, the District recognized OPEB expense of \$4,287,055 from the LRLIF plan.

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to LRLIF OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 1,754,187
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	448,663	-
Changes in Assumptions	10,418,808	1,671,456
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	456,434	310,124
Total	<u>\$ 11,323,905</u>	<u>\$ 3,735,767</u>

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

<u>Year Ended June 30.</u>	<u>Expense</u>
2023	\$ 1,690,907
2024	1,638,858
2025	1,477,420
2026	1,923,874
2027	855,505
Thereafter	1,574
Total	<u>\$ 7,588,138</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**2. Local Retiree Life Insurance Fund (Continued)**

**OPEB Liabilities, OPEB Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

**Actuarial Assumptions**

The total LRLIF OPEB liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date:	January 1, 2021
Measurement Date of Net OPEB Liability (Asset):	December 31, 2021
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry age normal
20 Year Tax-Exempt Municipal Bond Yield:	2.06%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.17%
Salary Increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

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. Based on this experience study, actuarial assumptions used to measure the Total OPEB Liability changed from the prior year, including the price inflation, mortality and separation rates. The total LRLIF OPEB liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the January 1, 2021 actuarial valuation.

**Long-Term Expected Return on Plan Assets**

The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A- Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**2. Local Retiree Life Insurance Fund (Continued)**

**OPEB Liabilities, OPEB Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

Local OPEB Life Insurance Asset Allocation Targets and Expected Returns As of December 31, 2021			
Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
U.S. Intermediate Credit Bonds	Bloomberg US Interim Credit	45.0 %	1.68 %
U.S. Long Credit Bonds	Bloomberg US Long Credit	5.0	1.82
U.S. Mortgages	Bloomberg US MBS	50.0	1.94
Inflation			2.30
Long-Term Expected Rate of Return			4.25

The long-term expected rate of return remained unchanged from the prior year at 4.25%. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The expected inflation rate increased from 2.20% as of December 31, 2020 to 2.30% as of December 31, 2021.

**Single Discount Rate**

A single discount rate of 2.17% was used to measure the total LRLIF OPEB liability for the current year, as opposed to a discount rate of 2.25% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.12% as of December 31, 2020 to 2.06% as of December 31, 2021. The plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total LRLIF OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

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

**2. Local Retiree Life Insurance Fund (Continued)**

**OPEB Liabilities, OPEB Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

**Sensitivity of the District's Proportionate Share of Net LRLIF OPEB Liability to Changes in the Discount Rate**

The following presents the District's proportionate share of the net LRLIF OPEB liability calculated using the discount rate of 2.17%, as well as what the District's proportionate share of the net LRLIF OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.17%) or 1-percentage-point higher (3.17%) than the current rate:

	1% Decrease to Discount Rate (1.17%)	Current Discount Rate (2.17%)	1% Increase to Discount Rate (3.17%)
District's Proportionate Share of the Net LRLIF OPEB Liability	\$ 46,782,371	\$ 34,484,010	\$ 25,230,002

**LRLIF OPEB Plan Fiduciary Net Position**

Detailed information about the LRLIF OPEB plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

**Payable to the LRLIF OPEB Plan**

At June 30, 2022, the District reported a payable of \$-0- for the outstanding amount of contribution to the plan.

**I. Fund Equity**

**Nonspendable Fund Balance**

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At June 30, 2022, nonspendable fund balance was as follows:

	General	Nonmajor	Total
Nonspendable:			
Inventories and Prepaid Items	\$ 1,634,246	\$ 670,913	\$ 2,305,159

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**I. Fund Equity (Continued)**

**Restricted Fund Balance**

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At June 30, 2022, restricted fund balance was as follows:

General Fund:

Restricted for:

CTE Grant	\$ 152,064
Common School Library Fund	128,259
Get Kids Ahead	<u>272,343</u>
Total General Fund Restricted Fund Balance	<u>552,666</u>

Special Revenue Funds:

Restricted for:

Community Services	4,155,064
Scholarships	229,930
Food Services Program	<u>3,165,782</u>
Total Special Revenue Fund Restricted Fund Balance	<u>7,550,776</u>

Debt Service Fund:

Restricted for:

Retirement of Long-Term Debt	<u>2,645,748</u>
Total Restricted Fund Balance	<u><u>\$ 10,749,190</u></u>

**Committed Fund Balance**

In the fund financial statements, portions of government fund balances are committed by District Board action. At June 30, 2022, fund balance was committed as follows:

General Fund:

Committed for:

Contracts	\$ 7,637,377
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Special Revenue Funds:

Committed for:

Donations	162,810
Student Activities	<u>1,883,208</u>
Total Special Revenue Fund Committed Fund Balance	<u>2,046,018</u>
Total Committed Fund Balance	<u><u>\$ 9,683,395</u></u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**I. Fund Equity (Continued)**

**Assigned Fund Balance**

Portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At June 30, 2022, fund balance was assigned as follows:

General Fund:

Assigned for:

Charter Schools	\$ 3,706,743
Budget Carryovers	2,709,395
Budget Stabilization	<u>2,638,525</u>
Total General Fund Assigned Fund Balance	<u>9,054,663</u>
 Total Assigned Fund Balance	 <u><u>\$ 9,054,663</u></u>

**Minimum General Fund Balance Policy**

The District has also adopted a minimum fund balance policy that unassigned fund balance in the general fund will be equal to a minimum of 15% and a maximum of 20% of the ensuing year's budgeted general fund expenditures be maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

Budgeted 2023 General Fund Expenditures	\$ 295,986,938
Minimum Fund Balance %	(x) 15% - 20%
Minimum Fund Balance Amount	<u><u>\$44,398,041 to \$59,197,388</u></u>

The District's unassigned General Fund balance of \$56,005,562 is above the minimum and maximum fund balance amount.

**Restricted Fiduciary Fund Net Position**

In the fund financial statements, portions of fiduciary fund net position are not available for appropriation or are legally restricted for use for a specific purpose. At June 30, 2022, restricted fiduciary fund net position was as follows:

Fiduciary Funds:

Restricted for:

Postemployment Benefits	\$ 52,859,916
Total Restricted Fiduciary Net Position	<u><u>\$ 52,859,916</u></u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**I. Fund Equity (Continued)**

**Net Position**

The District reports restricted net position at June 30, 2022 as follows:

Governmental Activities:

Restricted for:

Debt Service	\$ 1,578,325
Food Service	3,165,782
Community Service	4,155,064
Scholarships	229,930
Grants	552,666
Net Pension Asset	<u>74,078,995</u>
Total Governmental Activities	
Restricted Net Position	<u>83,760,762</u>
 Total Restricted Net Position	 <u><u>\$ 83,760,762</u></u>

**NOTE 3 OTHER INFORMATION**

**A. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. Settled claims have not exceeded commercial coverage in any of the past three years and there have been no significant reductions in insurance coverage from coverage in the prior year.

**Self-Funded Insurance Program**

The District has a self-insured workers' compensation benefit plan for its employees. The plan administrator, Aegis Corporation (administrator), is responsible for the approval, processing, and payment of claims, after which they bill the District for reimbursement. The District is also responsible for a monthly administrative fee. The plan reports on a fiscal year ended June 30, 2022.

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

As part of the workers' compensation coverage of the plan, the District purchases stop-loss coverage, which pays claims in excess of \$1 million per individual.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 OTHER INFORMATION (CONTINUED)**

**A. Risk Management (Continued)**

**Self-Funded Insurance Program (Continued)**

At June 30, 2022, the District has reported a liability of \$870,074 which represents reported and unreported claims which were incurred on or before June 30, 2022, but were not paid by the District as of that date. The amounts not reported to the District were determined by the plan administrator. Changes in the claims liability for the years ended June 30, 2021 and June 30, 2022 are as follows:

	Liability July 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability June 30
2021	\$ 1,299,400	\$ 1,348,682	\$ 1,290,625	\$ 1,357,457
2022	1,357,457	1,192,090	1,679,473	870,074

The District has not received an actuarial certification attesting to the adequacy of the reserves, rates, and overall financial soundness of the plan.

**B. Contingencies**

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

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

**C. Limitation on School District Revenues**

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

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

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



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3   OTHER INFORMATION (CONTINUED)**

**D. Commitments**

The District has active construction projects as of June 30, 2022. Work that has been completed but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures. Estimated future costs to complete the construction projects is approximately \$7,637,377.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE —**  
**BUDGET TO ACTUAL — GENERAL FUND — BUDGETARY BASIS**  
**YEAR ENDED JUNE 30, 2022**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Property Taxes	\$ 75,891,832	\$ 75,891,832	\$ 75,891,832	\$ -
Other Local Sources	1,290,546	1,551,202	2,019,770	468,568
Interdistrict Sources	1,442,000	1,442,000	1,707,498	265,498
State Sources	167,879,651	168,044,225	167,886,480	(157,745)
Federal Sources	38,817,752	39,380,624	25,555,656	(13,824,968)
Other Sources	1,132,400	1,132,400	528,120	(604,280)
Total Revenues	286,454,181	287,442,283	273,589,356	(13,852,927)
<b>EXPENDITURES</b>				
Instruction:				
Regular Instruction	122,728,832	123,505,535	110,892,720	12,612,815
Vocational Instruction	5,028,475	5,319,960	4,781,455	538,505
Special Education Instruction	-	3,094	7,783	(4,689)
Other Instruction	8,557,412	8,968,372	8,608,136	360,236
Total Instruction	136,314,719	137,796,961	124,290,094	13,506,867
Support Services:				
Pupil Services	12,348,059	12,683,086	12,325,365	357,721
Instructional Staff Services	16,167,548	16,945,192	14,269,496	2,675,696
General Administration Services	1,664,906	1,703,827	1,689,918	13,909
School Administration Services	15,538,178	15,613,865	15,796,687	(182,822)
Business Services	2,760,300	2,760,300	2,593,398	166,902
Operations and Maintenance of Plant	43,601,620	43,975,194	33,192,462	10,782,732
Pupil Transportation Services	5,279,757	5,268,715	5,987,711	(718,996)
Central Services	3,217,051	3,296,320	3,044,337	251,983
Insurance	725,150	725,150	705,689	19,461
Other Support Services	7,234,590	5,845,714	12,199,882	(6,354,168)
Total Support Services	108,537,159	108,817,363	101,804,945	7,012,418
Debt Service:				
Principal	-	-	804,118	(804,118)
Interest and Fiscal Charges	322,000	322,000	163,578	158,422
Total Debt Service	322,000	322,000	967,696	(645,696)
Nonprogram:				
General Tuition Payments	9,496,865	9,530,746	8,749,016	781,730
Adjustments and Refunds	-	-	534,836	(534,836)
Total Nonprogram	9,496,865	9,530,746	9,283,852	246,894
Total Expenditures	254,670,743	256,467,070	236,346,587	20,120,483
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	31,783,438	30,975,213	37,242,769	6,267,556
<b>OTHER FINANCING SOURCES (USES)</b>				
Leases Issued	-	-	381,056	381,056
Proceeds from Sale of Capital Assets	-	-	20,750	20,750
Transfers In	234,905	234,905	224,791	(10,114)
Transfers Out	(33,105,384)	(33,105,384)	(29,201,366)	3,904,018
Total Other Financing Sources (Uses)	(32,870,479)	(32,870,479)	(28,574,769)	4,295,710
<b>NET CHANGE IN FUND BALANCE</b>	(1,087,041)	(1,895,266)	8,668,000	10,563,266
Fund Balance - Beginning of Year	66,216,514	66,216,514	66,216,514	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 65,129,473</u>	<u>\$ 64,321,248</u>	<u>\$ 74,884,514</u>	<u>\$ 10,563,266</u>

See Notes to Required Supplementary Information.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE —**  
**BUDGET TO ACTUAL — SPECIAL EDUCATION SPECIAL REVENUE FUND —**  
**BUDGETARY BASIS**  
**YEAR ENDED JUNE 30, 2022**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Other Local Sources	\$ 4,700	\$ 4,700	\$ 5,330	\$ 630
State Sources	11,694,775	11,694,775	12,122,089	427,314
Federal Sources	6,087,488	6,373,260	6,121,139	(252,121)
Total Revenues	17,786,963	18,072,735	18,248,558	175,823
<b>EXPENDITURES</b>				
Instruction:				
Special Education Instruction	40,318,625	39,763,541	37,094,543	2,668,998
Other Instruction	66	66	-	66
Total Instruction	40,318,691	39,763,607	37,094,543	2,669,064
Support Services:				
Pupil Services	6,668,521	6,683,887	6,124,953	558,934
Instructional Staff Services	515,811	1,428,859	1,275,755	153,104
Operations and Maintenance of Plant	19,671	2,512	15,081	(12,569)
Pupil Transportation Services	3,025,232	2,976,355	2,648,192	328,163
Other Support Services	72,787	70,825	70,504	321
Total Support Services	10,302,022	11,162,438	10,134,485	1,027,953
Nonprogram:				
Special Education Tuition Payments	107,948	84,718	61,538	23,180
Total Expenditures	50,728,661	51,010,763	47,290,566	3,720,197
<b>EXCESS OF REVENUES UNDER EXPENDITURES</b>	(32,941,698)	(32,938,028)	(29,042,008)	3,896,020
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	33,105,384	33,105,384	29,201,366	(3,904,018)
Transfers Out	(163,686)	(167,356)	(159,358)	7,998
Total Other Financing Sources (Uses)	32,941,698	32,938,028	29,042,008	(3,896,020)
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Notes to Required Supplementary Information.

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS —  
SINGLE-EMPLOYER DEFINED BENEFIT OTHER POSTEMPLOYMENT PLAN  
LAST 10 FISCAL YEARS\***

	2022	2021	2020	2019	2018	2017
Total OPEB Liability:						
Service Cost	\$ 5,162,700	\$ 4,997,622	\$ 4,529,182	\$ 6,106,457	\$ 6,136,970	\$ 6,651,090
Interest	1,565,965	1,560,134	2,337,899	4,072,739	3,595,120	2,902,942
Effect of Plan Changes	-	-	-	(30,983,814)	-	-
Effect of Economic/Demographic Gains or Losses	2,066,524	605,150	(1,547,420)	(485,969)	619,689	2,052,664
Effect of Assumptions Changes or Inputs	(1,266,619)	303,369	745,486	(5,083,461)	(1,839,964)	(4,525,856)
Benefit Payments	(5,670,319)	(4,566,795)	(4,718,297)	(7,729,757)	(6,739,916)	(8,699,457)
Net Change in Total OPEB Liability	1,858,251	2,899,480	1,346,850	(34,103,805)	1,771,899	(1,618,617)
Total OPEB Liability - Beginning	69,821,498	66,922,018	65,575,168	99,678,973	97,907,074	99,525,691
Total OPEB Liability - Ending (a)	<u>\$ 71,679,749</u>	<u>\$ 69,821,498</u>	<u>\$ 66,922,018</u>	<u>\$ 65,575,168</u>	<u>\$ 99,678,973</u>	<u>\$ 97,907,074</u>
Plan Fiduciary Net Position:						
Contributions - Employer	\$ 12,984,449	\$ 10,398,181	\$ 10,482,243	\$ 12,103,990	\$ 10,928,534	\$ 12,316,038
Net Investment Income	70,487	170,331	413,227	548,843	286,003	104,661
Benefit Payments	(5,670,319)	(4,566,795)	(4,718,297)	(7,729,757)	(6,739,916)	(8,699,457)
Administrative Expenses	-	(13,905)	(13,500)	-	-	372,857
Member Contributions	492,484	355,454	351,426	462,613	437,193	386,295
Net Change in Plan Fiduciary Net Position	7,877,101	6,343,266	6,515,099	5,385,689	4,911,814	4,480,394
Plan Fiduciary Net Position - Beginning	44,982,816	38,639,550	32,124,451	26,738,762	21,826,948	17,346,554
Plan Fiduciary Net Position - Ending (b)	<u>\$ 52,859,917</u>	<u>\$ 44,982,816</u>	<u>\$ 38,639,550</u>	<u>\$ 32,124,451</u>	<u>\$ 26,738,762</u>	<u>\$ 21,826,948</u>
District's Net OPEB Liability - Ending (a) - (b)	<u>\$ 18,819,832</u>	<u>\$ 24,838,682</u>	<u>\$ 28,282,468</u>	<u>\$ 33,450,717</u>	<u>\$ 72,940,211</u>	<u>\$ 76,080,126</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	74%	64%	58%	49%	27%	22%
Covered-Employee Payroll	\$ 145,934,429	\$ 145,516,244	\$ 142,552,539	\$ 138,155,128	\$ 131,554,820	\$ 133,952,782
District's Net OPEB Liability as a Percentage of Covered-Employee Payroll	13%	17%	20%	24%	55%	57%
Annual Money-Weighted Rate of Return, Net of Investment Expenses	0.16%	0.44%	1.17%	1.87%	1.18%	0.53%

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

See Notes to Required Supplementary Information.

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS —  
SINGLE-EMPLOYER DEFINED BENEFIT OTHER POSTEMPLOYMENT PLAN  
LAST 10 FISCAL YEARS\***

	2022	2021	2020	2019	2018	2017
Actuarially Determined Contribution (ADC)	\$ 6,409,868	\$ 6,414,431	\$ 6,492,823	\$ 10,483,198	\$ 10,528,984	\$ 10,952,469
Contributions in Relation to the ADC	12,984,449	10,398,181	10,482,243	12,103,990	10,928,534	12,316,038
Contribution Deficiency (Excess)	<u>\$ (6,574,581)</u>	<u>\$ (3,983,750)</u>	<u>\$ (3,989,420)</u>	<u>\$ (1,620,792)</u>	<u>\$ (399,550)</u>	<u>\$ (1,363,569)</u>
Covered-Employee Payroll	\$ 145,934,429	\$ 145,516,244	\$ 142,552,539	\$ 138,155,128	\$ 131,554,820	\$ 133,952,782
Contributions as a Percentage of Covered-Employee Payroll	8.90%	7.15%	7.35%	8.76%	8.31%	9.19%

**Key Methods and Assumption Used to Calculate ADC**

Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Asset Valuation Method	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value
Amortization Method	30 Year Level Dollar	30 Year Level Dollar	30 Year Level Dollar	30 Year Level Dollar	30 Year Level Dollar	30 Year Level Dollar
Discount Rate	2.17%	2.24%	3.45%	3.85%	3.85%	3.57%
Inflation	2.20%	2.20%	2.30%	2.3%	2.3%	3.0%

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

See Notes to Required Supplementary Information.

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) —  
WISCONSIN RETIREMENT SYSTEM  
LAST 10 MEASUREMENT PERIODS\***

Measurement Period Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	1.00717634 %	\$ (24,739,006)	\$ 141,510,815	17.48 %	102.74 %
12/31/15	1.00194701	16,281,444	143,092,222	11.38	98.20
12/31/16	1.00757730	8,304,843	144,464,731	5.75	99.12
12/31/17	0.98029680	(29,106,175)	138,468,955	21.02	102.93
12/31/18	0.95666211	34,035,039	144,131,114	23.61	96.45
12/31/19	0.94560901	(30,490,751)	154,669,147	(19.71)	102.96
12/31/20	0.93835093	(58,582,550)	152,200,267	(38.49)	105.26
12/31/21	0.91907325	(74,078,995)	152,176,202	(48.68)	106.02

**SCHEDULE OF CONTRIBUTIONS —  
WISCONSIN RETIREMENT SYSTEM  
LAST 10 FISCAL YEARS\***

District Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/15	\$ 9,783,986	\$ 9,783,986	\$ -	\$ 142,255,255	6.88 %
6/30/16	9,544,430	9,544,430	-	142,911,017	6.68
6/30/17	9,775,956	9,775,956	-	145,641,274	6.71
6/30/18	9,474,391	9,474,391	-	140,651,906	6.74
6/30/19	9,715,921	9,715,921	-	147,162,795	6.60
6/30/20	10,166,917	10,166,917	-	152,357,105	6.67
6/30/21	10,195,814	10,195,814	-	151,049,090	6.75
6/30/22	10,101,695	10,101,695	-	153,118,905	6.60

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET) —  
LOCAL RETIREE LIFE INSURANCE FUND  
LAST 10 MEASUREMENT PERIODS\***

Measurement Period Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered Employee Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/17	5.89314100 %	\$ 17,729,987	\$ 138,468,955	12.80 %	44.81 %
12/31/18	5.64697400	14,571,098	127,134,000	11.46	48.69
12/31/19	5.67155000	24,150,565	126,461,000	19.10	37.58
12/31/20	5.83882100	32,117,732	133,484,000	24.06	31.36
12/31/21	5.83449300	34,484,010	128,205,000	26.90	29.57

**SCHEDULE OF CONTRIBUTIONS —  
LOCAL RETIREE LIFE INSURANCE FUND  
LAST 10 FISCAL YEARS\***

District Fiscal Year Ending	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
6/30/18	\$ 111,482	\$ 111,482	\$ -	\$ 140,651,906	0.0008 %
6/30/19	110,439	110,439	-	147,162,795	0.0008
6/30/20	113,374	113,374	-	152,357,105	0.0007
6/30/21	120,797	120,797	-	151,049,090	0.0008
6/30/22	114,642	114,642	-	153,118,905	0.0007

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



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2022**

**NOTE 1 OTHER POSTEMPLOYMENT BENEFITS**

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

Changes of Benefit Terms

There were no changes in benefit terms included in the actuarial valuation for the year ended June 30, 2022.

Changes of Assumptions

6/30/2022	Actuarial assumptions used to develop the Total OPEB Liability changed, including the discount rate, demographic assumption, medical trend rates, and expected medical costs.
6/30/2021	Actuarial assumptions used to develop the Total OPEB Liability changed, including the discount rate, demographic assumptions, participant rate and spouse elections, medical trends, and expected medical costs.
6/30/2020	Actuarial assumptions are based on an actuarial experience study for the period 2015-2017 for the Wisconsin Retirement System. Based on the experience study, actuarial assumptions used to develop the Total OPEB Liability changed, including the discount rate, wage inflation rate, and mortality and separation rates. The discount rate selected is in accordance with GASB 74/75. The expected claims and medical trend rates were changed to reflect anticipated experience under the most recent Getzen model application. The percentage of retirees electing family coverage for dental benefits was updated per a review of recent data. The overall impact of the new assumptions is an increase in the benefit obligation of \$745,486
6/30/2019	Actuarial assumptions are based on an actuarial experience study for the period 2015-2017 for the Wisconsin Retirement System. Based on the experience study, actuarial assumptions used to develop the Total OPEB Liability changed, including the discount rate, wage inflation rate, and mortality and separation rates.
6/30/2018	No significant change in assumptions were noted from the prior year.

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2022**

**NOTE 1 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Local Retiree Life Insurance Fund**

**Changes of Benefit Terms**

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

**Changes of Assumptions**

The ETF Board adopted economic and demographic assumption changes based on a three year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retirement insurance programs and are summaries below.

The assumption changes that were used to measure the December 31, 2021 total OPEB liabilities, including the following:

- Lowering the price inflation rate form 2.5% to 2.4%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

The assumption changes that were used to measure the December 31, 2018 total OPEB liabilities, including the following:

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate form 2.7% to 2.5%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

**NOTE 2 WISCONSIN RETIREMENT SYSTEM**

**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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2022**

**NOTE 2 WISCONSIN RETIREMENT SYSTEM (CONTINUED)**

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 end 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

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2022**

**NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING**

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

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

- Based upon requests from District staff, District administration recommends budget proposals to the Board of Education.
- The Board of Education prepares a proposed budget including proposed expenditures and the means of financing them for the July 1 through June 30 fiscal year.
- A public notice is published containing a summary of the budget and identifying the time and place where a public hearing will be held on the proposed budget.
- Pursuant to the public budget hearing, the Board of Education may make alterations to the proposed budget.
- Once the Board of Education (following the public hearing) adopts the budget, no changes may be made in the amount of tax to be levied or in the amount of the various appropriations and the purposes of such appropriations unless authorized by a 2/3 vote of the entire Board of Education.
- Appropriations lapse at year-end unless authorized as a carryover by the Board of Education. The portion of fund balance representing carryover appropriations is reported as a committed or assigned fund balance in the fund financial statements.
- Encumbrance accounting is used by the District as an extension of formal budgetary control during the year.
- The DPI requires the District to separate special education revenues and expenditures from other General Fund amounts.
- The District did not have any material violation of legal or contractual provisions for the fiscal year ended June 30, 2022.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2022**

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

**Budgetary Information**

Budgetary information is derived from the annual operating budget and is presented in accordance with U.S. GAAP, except the District adopts a budget for the special education special revenue fund. An explanation of the differences between Revenues, Expenditures, and Other Financing Sources (Uses) for budgetary funds on budgetary fund basis and a U.S. GAAP General Fund basis is summarized below:

	<u>General</u>	<u>Special Education</u>
Revenues:		
Actual Amounts (Budgetary Basis)	\$ 273,589,356	\$ 18,248,558
Reclassification of Special Education	<u>18,248,558</u>	<u>(18,248,558)</u>
Total Revenues	291,837,914	-
Expenditures:		
Actual Amounts (Budgetary Basis)	236,346,587	47,290,566
Reclassification of Special Education	<u>47,290,566</u>	<u>(47,290,566)</u>
Total Expenditures	283,637,153	-
Excess Revenues Over (Under) Expenditures:		
Actual Amounts (Budgetary Basis)	37,242,769	(29,042,008)
Reclassification of Special Education	<u>(29,042,008)</u>	<u>29,042,008</u>
Excess of Revenues Over (Under) Expenditures	8,200,761	-
Other Financing Sources (Uses):		
Actual Amounts (Budgetary Basis)	(28,574,769)	29,042,008
Reclassification of Special Education	<u>29,042,008</u>	<u>(29,042,008)</u>
Total Other Financing Sources (Uses)	467,239	-
Net Change in Fund Balance		
Actual Amounts (Budgetary Basis)	8,668,000	-
Fund Balance - July 1		
Actual Amounts (Budgetary Basis)	<u>66,216,514</u>	<u>-</u>
Fund Balance - June 30		
Actual Amounts (Budgetary Basis)	<u><u>\$ 74,884,514</u></u>	<u><u>\$ -</u></u>

## **SUPPLEMENTARY INFORMATION**

**KENOSHA UNIFIED SCHOOL DISTRICT  
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2022**

	Special Revenue				Total Nonmajor Governmental Funds
	Head Start	Special Revenue Trust	Food Service	Community Service	
<b>ASSETS</b>					
Cash and Investments	\$ 5,816	\$ 2,286,356	\$ 3,089,871	\$ 4,164,458	\$ 9,546,501
Receivables:					
Accounts, Net	18,502	14,000	18,322	25,405	76,229
Due from Other Governments	319,089	-	295,285	-	614,374
Inventories and Prepaid Items	-	-	670,913	-	670,913
Total Assets	<u>\$ 343,407</u>	<u>\$ 2,300,356</u>	<u>\$ 4,074,391</u>	<u>\$ 4,189,863</u>	<u>\$ 10,908,017</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 55,589	\$ 24,408	\$ 65,284	\$ 34,799	\$ 180,080
Due to Other Funds	287,818	-	-	-	287,818
Unearned Revenues	-	-	30	-	30
Deposits Payable	-	-	172,382	-	172,382
Total Liabilities	<u>343,407</u>	<u>24,408</u>	<u>237,696</u>	<u>34,799</u>	<u>640,310</u>
<b>FUND BALANCES</b>					
Nonspendable	-	-	670,913	-	670,913
Restricted	-	229,930	3,165,782	4,155,064	7,550,776
Committed	-	2,046,018	-	-	2,046,018
Total Fund Balances	<u>-</u>	<u>2,275,948</u>	<u>3,836,695</u>	<u>4,155,064</u>	<u>10,267,707</u>
Total Liabilities and Fund Balances	<u>\$ 343,407</u>	<u>\$ 2,300,356</u>	<u>\$ 4,074,391</u>	<u>\$ 4,189,863</u>	<u>\$ 10,908,017</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2022**

	Special Revenue				Total Nonmajor Governmental Funds
	Head Start	Special Revenue Trust	Food Service	Community Service	
<b>REVENUES</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000
Other Local Sources	-	1,678,844	140,838	36,877	1,856,559
State Sources	-	-	18,750	-	18,750
Federal Sources	2,341,348	-	10,451,406	-	12,792,754
Other Sources	-	12,850	-	-	12,850
Total Revenues	2,341,348	1,691,694	10,610,994	1,536,877	16,180,913
<b>EXPENDITURES</b>					
Instruction:					
Regular Instruction	368,628	9,767	-	-	378,395
Other Instruction	873,928	2,244	-	-	876,172
Total Instruction	1,242,556	12,011	-	-	1,254,567
Support Services:					
Pupil Services	534,623	-	-	-	534,623
Instructional Staff Services	10,302	69,247	-	-	79,549
General Administration Services	-	-	-	366,107	366,107
School Administration Services	279,391	1,498,643	-	-	1,778,034
Operations and Maintenance of Plant	130,849	-	75,579	17,807	224,235
Pupil Transportation Services	62,043	-	-	356	62,399
Food Services	16,151	-	8,013,337	-	8,029,488
Total Support Services	1,033,359	1,567,890	8,088,916	384,270	11,074,435
Community Service	-	-	-	879,751	879,751
Nonprogram:					
Post-Secondary Scholarship Expenditures	-	14,650	-	-	14,650
Total Expenditures	2,275,915	1,594,551	8,088,916	1,264,021	13,223,403
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	65,433	97,143	2,522,078	272,856	2,957,510
<b>OTHER FINANCING USES</b>					
Transfers Out	(65,433)	-	-	-	(65,433)
<b>NET CHANGE IN FUND BALANCE</b>	-	97,143	2,522,078	272,856	2,892,077
Fund Balance - Beginning of Year	-	2,178,805	1,314,617	3,882,208	7,375,630
<b>FUND BALANCE - END OF YEAR</b>	\$ -	\$ 2,275,948	\$ 3,836,695	\$ 4,155,064	\$ 10,267,707



**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF CHARTER SCHOOL AUTHORIZER OPERATING COSTS  
YEAR ENDED JUNE 30, 2022**

		The Brompton School	Dimensions of Learning	Kenosha School of Technology Enhance Curriculum	Kenosha E-School	Harborside Academy
Operating Activity:	Object					
Employee Salaries	100	\$ 38,377	\$ 37,750	\$ 220,453	\$ 43,287	\$ 105,630
Employee Benefits	200	16,923	15,821	97,690	16,279	43,726
Purchased Services	300	2,867	1,553	8,838	866	15,078
Noncapital Objects	400	940	853	11,354	3,204	7,430
Other	900	-	7	493	-	23
Total		<u>\$ 59,107</u>	<u>\$ 55,984</u>	<u>\$ 338,828</u>	<u>\$ 63,636</u>	<u>\$ 171,887</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF CHARTER SCHOOL OPERATING COSTS  
YEAR ENDED JUNE 30, 2022**

Function:	WUFAR	The Brompton School	Dimensions of Learning	Kenosha School of Technology Enhance Curriculum	Kenosha E-School	Harborside Academy
Undifferentiated Curriculum	110000	\$ 945,040	\$ 1,210,755	\$ 7,444,782	\$ 1,395,516	\$ 4,020,524
Regular Curriculum	120000	450,759	167,883	63,142	132,155	69,968
Vocational Curriculum	130000	-	-	-	-	455
Physical Curriculum	140000	41,120	78,721	166,388	-	2,806
Special Education	150000	30,183	1,122	848,935	74,090	356,334
Co-curriculum Activities	160000	-	-	-	-	25,271
Pupil Services	210000	56,375	57,841	99,754	114,908	197,285
Instructional Staff Training	220000	46,232	107,159	371,460	98,085	55,390
School Administration Services	240000	267,633	116,896	1,187,140	205,421	363,596
Business Administration Services	250000	69,332	65,553	748,343	32,589	453,097
Total		<u>\$ 1,906,674</u>	<u>\$ 1,805,930</u>	<u>\$ 10,929,944</u>	<u>\$ 2,052,764</u>	<u>\$ 5,544,726</u>

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



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

Board of Education  
Kenosha Unified School District  
Kenosha, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Kenosha Unified School District (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 30, 2022.

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

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

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

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

***Report on Compliance and Other Matters***

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

**Purpose of this Report**

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

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

**CliftonLarsonAllen LLP**

Milwaukee, Wisconsin  
November 30, 2022

## **FEDERAL AND STATE AWARDS**



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

Board of Education  
Kenosha Unified School District  
Kenosha, Wisconsin

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

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

We have audited Kenosha Unified School District's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and Wisconsin *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2022. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in a material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2022.

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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



**CliftonLarsonAllen LLP**

Milwaukee, Wisconsin  
November 30, 2022

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2022**

Grantor Agency/Federal Program Title	Federal Assistance Listing	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/21	Value or Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/22	Total Expenditures	Subrecipient Payments
<b>U.S. DEPARTMENT OF AGRICULTURE</b>								
<i>Child Nutrition Cluster</i>								
(COVID-19) School Breakfast Program	10.553	WI DPI	2022-302793-SB-546	\$ -	\$ 1,992,045	\$ 74,373	\$ 2,066,418	\$ -
(COVID-19) - National School Lunch Program	10.555	WI DPI	2022-302793-NSL-547	-	7,351,417	172,577	7,523,994	-
Donated Commodities	10.555	WI DPI	N/A	-	628,417	-	628,417	-
Total National School Lunch Program				-	7,979,834	172,577	8,152,411	-
(COVID-19) - Summer Food Service Program for Children	10.559	WI DPI	2022-302793-SFSP-586	(169,134)	204,671	21,888	57,425	-
Total Child Nutrition Cluster				(169,134)	10,176,550	268,838	10,276,254	-
P-EBT Local Level Administrative Cost	10.649	WI DPI	N/A	-	5,814	-	5,814	-
Fresh Fruit and Vegetable Program	10.582	WI DPI	2022-302793-DPI-FFVPOCTPUB-376	(11,872)	134,714	26,448	149,290	-
Fresh Fruit and Vegetable Program	10.582	WI DPI	2022-302793-DPI-FFVPJULPUB-594	-	20,048	-	20,048	-
Total Fresh Fruit and Vegetable Program				(11,872)	154,762	26,448	169,338	-
Total U.S. Department of Agriculture				(181,006)	10,337,126	295,286	10,451,406	-
<b>U.S. DEPARTMENT OF EDUCATION</b>								
Title I Grants to Local Educational Agencies	84.010A	WI DPI	2022-302793-DPI-TIA-141	(1,751,951)	5,399,093	1,984,383	5,631,525	-
Title I Grants to Local Educational Agencies	84.010A	WI DPI	2022-302793-DPI-TI-D N&D-144	(3,946)	23,614	8,878	28,546	-
Total Title I Grants to Local Educational Agencies				(1,755,897)	5,422,707	1,993,261	5,660,071	-
<i>Special Education Cluster (IDEA)</i>								
Special Education Grants to States	84.027A	WI DPI	2022-302793-DPI-IDEA-FT-341	(1,324,781)	4,596,475	1,245,777	4,517,471	-
(COVID-19) Special Education Grants to States	84.027A	WI DPI	2022-302793-DPI-IDEA-FT-341	-	976,899	-	976,899	-
Total Special Education Grants to States				(1,324,781)	5,573,374	1,245,777	5,494,370	-
Special Education Preschool Grants	84.173A	WI DPI	2022-302793-DPI-IDEA-P-347	(12,997)	185,557	218,634	391,194	-
(COVID-19) Special Education Preschool Grants	84.173A	WI DPI	2022-302793-DPI-IDEA-P-347	-	35,374	-	35,374	-
Total Special Education Cluster (IDEA)				(1,337,778)	5,794,305	1,464,411	5,920,938	-

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

Grantor Agency/Federal Program Title	Federal Assistance Listing	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/21	Value or Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/22	Total Expenditures	Subrecipient Payments
<b>U.S. DEPARTMENT OF EDUCATION (CONTINUED)</b>								
Career and Technical Education - Basic Grants to States	84.048	WI DPI	2022-302793-DPI-CTE-400	\$ (23,907)	\$ 90,003	\$ 71,446	\$ 137,542	\$ -
English Language Acquisition State Grants	84.365A	WI DPI	2022-302793-DPI-TIIIA-391	(25,455)	242,456	112,536	329,537	-
Supporting Effective Instruction State Grants	84.367A	WI DPI	2022-302793-DPI-TIIA-365	(198,644)	790,945	267,158	859,459	-
Student Support and Academic Enrichment Program	84.424A	WI DPI	2022-302793-DPI-TIVA-381	(117,786)	539,393	232,274	653,881	-
(COVID-19) Elementary and Secondary School Emergency Relief Fund	84.425D	WI DPI	2022-302793-DPI-ESSERF-160	(1,945,746)	1,963,719	1,183,428	1,201,401	-
(COVID-19) Elementary and Secondary School Emergency Relief Fund	84.425D	WI DPI	2022-302793-DPI-ESSERFII-163	-	3,503,403	5,268,972	8,772,375	-
(COVID-19) Governors Emergency Education Relief Fund	84.425C	WI DPI	2022-302793-DPI-GEERF-162	(632,994)	632,994	2,329,709	2,329,709	-
Total Education Stabilization Fund				<u>(2,578,740)</u>	<u>2,596,713</u>	<u>3,513,137</u>	<u>3,531,110</u>	<u>-</u>
Total U.S. Department of Education				(6,038,207)	18,979,925	12,923,195	25,864,913	-
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>								
Head Start	93.600	Direct Program	N/A	(257,974)	2,229,338	284,632	2,255,996	-
(COVID-19) CARES Act - Head Start	93.600	Direct Program	N/A	(15,590)	15,590	-	-	-
(COVID-19) CRRSA - Head Start	93.600	Direct Program	N/A	-	49,920	-	49,920	-
(COVID-19) American Rescue Plan (ARP) - Head Start	93.600	Direct Program	N/A	-	976	34,457	35,433	-
Total Head Start				<u>(273,564)</u>	<u>2,295,824</u>	<u>319,089</u>	<u>2,341,349</u>	<u>-</u>
Medical Assistance Program	93.778	WI DHS	44202800	(109,863)	2,884,431	94,046	2,868,614	-
Total U.S. Department of Health and Human Services				<u>(383,427)</u>	<u>5,180,255</u>	<u>413,135</u>	<u>5,209,963</u>	<u>-</u>
Total Federal Awards				<u>\$ (6,602,640)</u>	<u>\$ 34,497,306</u>	<u>\$ 13,631,616</u>	<u>\$ 41,526,282</u>	<u>\$ -</u>

Reconciliation to the Basic Financial Statements:

Federal Sources	\$ 44,469,549
Less: JROTC not Subject to Single Audit	32,400
Less: Governors CRF Funding	2,638,525
Less: Get Kids Ahead	272,342
Total Federal Awards	<u>\$ 41,526,282</u>

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
YEAR ENDED JUNE 30, 2022**

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number	(Accrued) Deferred Revenue 7/1/21	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/22	Total Expenditures	Subrecipient Payments
<b>WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION</b>								
Special Education and School Age Parents	255.101	Direct Program	302793-100	\$ -	\$ 11,858,054	\$ -	\$ 11,858,054	\$ -
State School Lunch Aid	255.102	Direct Program	302793-107	-	7,851	-	7,851	-
Common School Fund Library Aid	255.103	Direct Program	302793-104	-	1,010,857	-	1,010,857	-
Bilingual Bicultural Aid Lea	255.106	Direct Program	302793-111	-	30,619	-	30,619	-
General Transportation Aid	255.107	Direct Program	302793-102	-	207,123	-	207,123	-
WI School Day Milk Program	255.115	Direct Program	302793-109	-	7,036	-	7,036	-
Equalization Aids	255.201	Direct Program	302793-116	(2,313,112)	151,224,330	-	148,911,218	-
High Cost Special Education Aid	255.210	Direct Program	302793-119	-	164,567	-	164,567	-
Supplemental Per Pupil Aid	255.245	Direct Program	302793-181	-	-	-	-	-
School Based Mental Health Services Grant	255.297	Direct Program	302793-177	-	-	48,778	48,778	-
Alcohol and Other Drug Abuse	255.306	Direct Program	302793-143	(518)	9,619	1,908	11,009	-
Head Start Supplement	255.327	Direct Program	302793-145	(30,173)	307,727	30,377	307,931	-
State School Breakfast Aid	255.344	Direct Program	302793-108	-	3,863	-	3,863	-
Tuition Payments by State	255.401	Direct Program	302793-157	-	160,483	-	160,483	-
Early College Credit Program	255.445	Direct Program	302793-178	-	5,286	-	5,286	-
High-Poverty Aid	255.926	Direct Program	302793-121	-	1,073,240	-	1,073,240	-
Educator Effective Evaluation System	255.940	Direct Program	302793-154	(13,918)	13,918	127,840	127,840	-
Per Pupil Aid	255.945	Direct Program	302793-113	-	14,668,598	-	14,668,598	-
Assessments of Reading Readiness	255.956	Direct Program	302793-166	-	28,485	-	28,485	-
Special Education Transition Incentives Grant	255.960	Direct Program	302793-168	-	99,468	-	99,468	-
Total Wisconsin Department of Public Instruction				<u>(2,357,721)</u>	<u>180,881,124</u>	<u>208,903</u>	<u>178,732,306</u>	<u>-</u>
<b>WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT</b>								
Youth Apprenticeship Program	445.107	Direct Program	3659	(15,434)	52,860	35,149	72,575	-
Total Wisconsin Department of Workforce Development				<u>(15,434)</u>	<u>52,860</u>	<u>35,149</u>	<u>72,575</u>	<u>-</u>
Total State Awards				<u>\$ (2,373,155)</u>	<u>\$ 180,933,984</u>	<u>\$ 244,052</u>	<u>\$ 178,804,881</u>	<u>\$ -</u>

Reconciliation to the Basic Financial Statements:

State Sources	\$ 180,027,319
Less: State Sources not Considered State Financial Assistance	
State Exempt Aids	1,184,751
Payment in Lieu of Taxes (PILOT)	37,687
Total State Awards	<u>\$ 178,804,881</u>

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AND STATE AWARDS  
YEAR ENDED JUNE 30, 2022**

**NOTE 1 BASIS OF PRESENTATION**

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

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

**NOTE 2 SIGNIFICANT ACCOUNTING POLICIES**

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the District's 2022 fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Wisconsin *State Single Audit Guidelines*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the District in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded District expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances.

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

**NOTE 3 SPECIAL EDUCATION AND SCHOOL AGE PARENTS PROGRAM**

The 2021-2022 eligible costs under the State Special Education Program as reported by the District are \$38,933,976. Compiled information required by compliance requirement 1-1 of the Special Education Audit Program was reported to the Wisconsin Department of Public Instruction.

**NOTE 4 FOOD DISTRIBUTION**

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AND STATE AWARDS  
YEAR ENDED JUNE 30, 2022**

**NOTE 5    OVERSIGHT AGENCIES**

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

Federal - U.S. Department of Health and Human Services

State - Wisconsin Department of Public Instruction

**NOTE 6    PASS THROUGH ENTITIES**

Federal awards have been passed through the following entities:

WI DHS - Wisconsin Department of Health Services

WI DPI - Wisconsin Department of Public Instruction

**NOTE 7    DONATED SERVICES**

The District receives an undeterminable amount of donated services from a variety of unpaid volunteers assisting the Head Start program. Therefore, no amounts have been recorded in the Schedule of Expenditures of Federal Awards.

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022**

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

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***Basic Financial Statements***

1. Type of auditor's report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
  - Were significant deficiency(ies) identified not considered to be a material weakness(es)? \_\_\_\_\_ Yes      X   None Reported
3. Noncompliance material to basic financial statements noted? \_\_\_\_\_ Yes      X   No

***Federal and State Awards***

1. Internal control over compliance:
- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
  - Were significant deficiency(ies) identified not considered to be a material weakness(es)? \_\_\_\_\_ Yes      X   None Reported
2. Type of auditor's report issued on compliance for major programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) \_\_\_\_\_ Yes      X   No
4. Any audit findings disclosed that are required to be reported in accordance with the Wisconsin *State Single Audit Guidelines*? \_\_\_\_\_ Yes      X   No

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

## Section I – Summary of Auditors’ Results (Continued)

**Identification of major federal programs:**

Assistance Listing Number(s)	Name of Federal Program
10.555/10.559	Child Nutrition Cluster
84.010	Title I – Grants to Local Educational Agencies
84.027/84.173	Special Education Cluster
84.425C	(COVID-19) Elementary and Secondary School Emergency Relief Fund
84.425D	(COVID-19) Governors Emergency Relief Fund
93.600	Headstart
93.778	Medicaid Cluster

**Identification of major state programs:**

State ID Number(s)	Name of State Program
255.101	Special Education and School-Age Parents
255.201	General Equalization Aids
255.107	General Transportation Aids
255.237	Head Start Supplement
255.926	Aid for High Poverty School District

Audit threshold used to determine between Type A and Type B programs:

Federal	\$	1,245,788
State	\$	250,000

Auditee qualify as low-risk auditee?           X           Yes                      No



**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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

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Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

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***Section III – Federal and State Award Findings and Questioned Costs***

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Our audit did not disclose any matters required to be reported in accordance with Uniform Guidance or the Wisconsin *State Single Audit Guidelines*.

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***Section IV – Other Issues***

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1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? No
  
2. Does the audit report show audit issues (i.e. material noncompliance, nonmaterial, noncompliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the Wisconsin *State Single Audit Guidelines*:  

Department of Public Instruction No

Department of Workforce Development No
  
3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? No

4. Name and signature of partner

  
\_\_\_\_\_  
Jordan Boehm, CPA

5. Date of report

November 30, 2022

## Elementary schools

### **Bose Elementary School**

1900 15th St., Kenosha, WI 53140  
Phone: 359-4044 Fax: 359-4005  
kUSD.edu/bose

### **Brass Community School**

6400 15th Ave., Kenosha, WI 53143  
Phone: 359-8000 Fax: 359-8050  
kUSD.edu/brass

### **Curtis Strange Elementary School**

5414 49th Ave., Kenosha, WI 53144  
Phone: 359-6024 Fax: 359-6247  
kUSD.edu/strange

### **EBSOLA Creative Arts**

2600 50th St., Kenosha, WI 53140  
Phone: 359-2300 Fax: 359-2400  
kUSD.edu/ebsolaca

### **Forest Park Elementary School**

6810 45th Ave., Kenosha, WI 53142  
Phone: 359-6319 Fax: 359-6170  
kUSD.edu/forestpark

### **Frank Elementary School**

1816 57th St., Kenosha, WI 53140  
Phone: 359-6324 Fax: 359-6393  
kUSD.edu/frank

### **Grant Elementary School**

1716 35th St., Kenosha, WI 53140  
Phone: 359-6346 Fax: 359-6672  
kUSD.edu/grant

### **Grewenow Elementary School**

7714 20th Ave., Kenosha, WI 53143  
Phone: 359-6362 Fax: 359-7706  
kUSD.edu/grewenow

### **Harvey Elementary School**

2012 19th Ave., Kenosha, WI 53140  
Phone: 359-4040 Fax: 359-4020  
kUSD.edu/harvey

### **Jefferson Elementary School**

1832 43rd St., Kenosha, WI 53140  
Phone: 359-6390 Fax: 359-7578  
kUSD.edu/jefferson

### **Jeffery Elementary School**

4011 87th St., Kenosha, WI 53142  
Phone: 359-2100 Fax: 359-2033  
kUSD.edu/jeffery

### **McKinley Elementary School**

5520 32nd Ave., Kenosha, WI 53144  
Phone: 359-6002 Fax: 359-7641  
kUSD.edu/mckinley

### **Nash Elementary School**

6801 99th Ave., Kenosha, WI 53142  
Phone: 359-3500 Fax: 359-3550  
kUSD.edu/nash

### **Pleasant Prairie Elementary School**

9208 Wilmot Road, Pleasant Prairie, WI 53158  
Phone: 359-2104 Fax: 359-2157  
kUSD.edu/pleasantprairie

### **Prairie Lane Elementary School**

10717 47th Ave., Pleasant Prairie, WI 53158  
Phone: 359-3600 Fax: 359-3650  
kUSD.edu/prairielane

### **Roosevelt Elementary School**

3322 Roosevelt Road, Kenosha, WI 53142  
Phone: 359-6097 Fax: 359-6107  
kUSD.edu/roosevelt

### **Somers Elementary School**

1245 72nd Ave., Kenosha, WI 53144  
Phone: 359-3200 Fax: 359-3212  
kUSD.edu/somers

### **Southport Elementary School**

723 76th St., Kenosha, WI 53143  
Phone: 359-6309 Fax: 359-5952  
kUSD.edu/southport

### **Stocker Elementary School**

6315 67th St., Kenosha, WI 53142  
Phone: 359-2143 Fax: 359-2012  
kUSD.edu/stocker

### **Vernon Elementary School**

8518 22nd Ave., Kenosha, WI 53143  
Phone: 359-2113 Fax: 359-2169  
kUSD.edu/vernon

### **Whittier Elementary School**

8542 Cooper Road, Pleasant Prairie, WI 53158  
Phone: 359-2110 Fax: 359-2270  
kUSD.edu/whittier

### **Wilson Elementary School**

4520 33rd Ave., Kenosha, WI 53144  
Phone: 359-6094 Fax: 359-5993  
kUSD.edu/wilson

## Charter schools

### **Harborside Academy**

(Grades 6-12)  
913 57th St., Kenosha, WI 53140  
Phone: 359-8400 Fax: 359-8450  
kUSD.edu/harborside

### **Kenosha School of Technology Enhanced Curriculum (KTEC)**

KTEC East (Grades K-8):  
6811 18th Ave., Kenosha, WI 53143  
Phone: 359-3800 Fax: 359-3850  
KTEC West (Grades 4K-8):  
5710 32nd Ave., Kenosha, WI 53144  
Phone: 359-7100 Fax: 359-7070  
kUSD.edu/ktc

### **Kenosha eSchool**

(Online school, grades K-12)  
1808 41st Place, Kenosha, WI 53140  
Phone: 359-7715 Fax: 359-5933  
kUSD.edu/eschool

### **The Brompton School**

(Grades K-8)  
8518 22nd Ave., Kenosha, WI 53143  
Phone: 359-2191 Fax: 359-2194  
kUSD.edu/brompton

### **Dimensions of Learning Academy**

(Grades K-8)  
6218 25th Ave., Kenosha, WI 53143  
Phone: 359-6849 Fax: 359-3134  
kUSD.edu/dimensions

## Head Start Center

### **Cesar E. Chavez Learning Station**

6300 27th Ave., Kenosha, WI 53143  
Phone: 359-6078 Fax: 359-6286  
kUSD.edu/chavez

## Specialty schools

### **Hillcrest School**

(Bridges Center/T.I.M.E. Program, grades 6-12)  
4616 24th St., Kenosha, WI 53144  
Phone: 359-6118 Fax: 359-7870  
kUSD.edu/hillcrest

## Middle schools

### **Bullen Middle School**

2804 39th Ave., Kenosha, WI 53144  
Phone: 359-4460 Fax: 359-4487  
kUSD.edu/bullen

### **Lance Middle School**

4515 80th St., Kenosha, WI 53142  
Phone: 359-2240 Fax: 359-2184  
kUSD.edu/lance

### **Lincoln Middle School**

6729 18th Ave., Kenosha, WI 53143  
Phone: 359-6296 Fax: 359-5966  
kUSD.edu/lincoln

### **Mahone Middle School**

6900 60th St., Kenosha, WI 53144  
Phone: 359-8100 Fax: 359-6851  
kUSD.edu/mahone

### **Washington Middle School**

811 Washington Road, Kenosha, WI 53140  
Phone: 359-6291 Fax: 359-6056  
kUSD.edu/washington

## High schools

### **Bradford High School**

3700 Washington Road, Kenosha, WI 53144  
Phone: 359-6200 Fax: 359-5948  
kUSD.edu/bradford

### **ITHSA High School**

6800 60th St., Kenosha, WI 53144  
Phone: 359-8700 Fax: 359-8756  
kUSD.edu/indiantrail

### **Tremper High School**

8560 26th Ave., Kenosha, WI 53143  
Phone: 359-2200 Fax: 359-2353  
kUSD.edu/tremper

## Choice schools

### **LakeView Technology Academy** (Grades 9-12)

9449 88th Ave., Pleasant Prairie, WI 53158  
Phone: 359-8155 Fax: 359-8159  
kUSD.edu/lakeview

### **Reuther Central High School** (Grades 9-12)

913 57th St., Kenosha, WI 53140  
Phone: 359-6160 Fax: 359-6281  
kUSD.edu/reuther

### **ITHSA Academy**

6800 60th St., Kenosha, WI 53144  
Phone: 359-8700 Fax: 359-8756  
kUSD.edu/indiantrail

### **EBSOLA Dual Language**

2600 50th St., Kenosha, WI 53140  
Phone: 359-2300 Fax: 359-2400  
kUSD.edu/ebsoladl