



**Kenosha  
Unified**  
SCHOOL DISTRICT

# ANNUAL FINANCIAL REPORT



Fiscal year ending  
June 30, 2025

**KENOSHA UNIFIED SCHOOL DISTRICT  
KENOSHA, WISCONSIN**

**FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION**

**YEAR ENDED JUNE 30, 2025**

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# **KENOSHA UNIFIED SCHOOL DISTRICT**

## **SCHOOL BOARD AND ADMINISTRATION**

### **2024-2025**

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

Mary Modder	President
Carl Bryan	Vice President
Dr. Todd Alan Price	Clerk
Bob Tierney	Treasurer
Yolanda Adams	Member
Sabrina Landry	Member
Rebecca Stevens	Member

#### **ADMINISTRATION**

Dr. Jeffrey Weiss	Superintendent of Schools
Tarik Hamdan	Chief Financial Officer
Wendi Tindall	Chief Academic Officer
William Haithcock	Chief of School Leadership
Kevin Neir	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



## INDEPENDENT AUDITORS' REPORT

Board of Education  
Kenosha Unified School District  
Kenosha, Wisconsin

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Kenosha Unified School District (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2025, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Emphasis of Matter***

As discussed in Note 1.F. to the financial statements, effective July 1, 2024, the District adopted GASB Statement No. 101, Compensated Absences, new accounting guidance for compensated absences. The guidance requires that be reported by adjusting adjusted beginning balances of the current period. Our opinions are not modified with respect to this matter.

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

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

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

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

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

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

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

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

***Required Supplementary Information***

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



**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2025, 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.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
December 4, 2025

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

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Kenosha, Wisconsin**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

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's 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**

Effective July 1, 2024, the District implemented GASB Statement No. 101 *Compensated Absences*. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. As a result of the implementation of this standard, the compensated liability as of July 1, 2024 was restated. The effect of the implementation is shown below.

	<div>Governmental Activities (in thousands)</div>
Net position as previously reported	\$ 231,945
GASB Statement No. 101, Compensated Absences	<u>(1,824)</u>
Net Position as restated	<u><u>\$ 230,121</u></u>

*Note: May be rounding differences.*

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*.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Kenosha, Wisconsin**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

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.

**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), and Debt Service 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 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.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Kenosha, Wisconsin**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

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.

***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 described above in the District-wide Financial Statement section. Two fiduciary financial statements exist, 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.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Kenosha, Wisconsin**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**FINANCIAL HIGHLIGHTS**

**District-Wide Financial Statements**

The assets and deferred outflows of resources of the District exceeded the liabilities and deferred inflows at the close of the fiscal year by \$226.2 million (net position), a decrease of \$3.9 million over the prior year.

Unrestricted net position of \$59.5 million or 26.3% of total net position may be used to meet the District's ongoing operations.

District-wide revenues totaled \$316.1 million, a decrease of \$11.5 million from the prior year due to a decrease in ESSER grants allocated to operating grants and contributions.

Expenses totaled \$320.0 million, an increase of \$4.3 million compared to the prior year amount of \$315.7 million.

The net decrease in net position totaled \$3.9 million compared to the prior year net increase in net position of \$11.9 million.

The District has \$414.1 million in capital assets, an increase of \$4.2 million due to completion of window and HVAC projects.

The District has \$102.0 million in outstanding long-term obligations, a decrease from prior year of \$2.4 million due to general obligation bond payments of \$9.0 million, a decrease in debt premiums of \$1.3 million, an increase in right to use leases of \$8.6 million for the new LakeView Academy building lease and a decrease of \$0.7 in other long-term obligations.

**Governmental Funds Financial Statements**

The District's combined fund balances at June 30, 2025, were \$90.4 million, an increase of \$0.7 million from the prior year.

The District's unassigned general fund fund balance at June 30, 2025 was \$74.6 million or 26.9% of general fund actual expenditures.

Revenues reported in the fund statements were \$316.1 million, while expenses totaled \$324.7 million.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
Kenosha, Wisconsin

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

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

**District-wide Financial Statements**

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*.

**Statement of Net Position**

Table 1 below summarizes the District's *statement of net position* for the year ended June 30, 2025, compared to 2024.

<b>Table 1</b> <b>Condensed Statement of Net Position</b> <b>(in thousands of dollars)</b>				
	Governmental Activities		\$ Change	% Change
	2025	2024		
<b>Assets</b>				
Current assets	\$ 119,622	\$ 122,672	\$ (3,050)	-2.5%
Capital assets	254,954	259,754	(4,800)	-1.8%
Total Assets	374,576	382,426	(7,850)	-2.1%
<b>Deferred Outflows</b>				
Loss on advance refunding	-	65	(65)	-100.0%
Related to pension	71,732	107,422	(35,690)	-33.2%
Related to OPEB	13,968	17,138	(3,170)	-18.5%
Total Deferred Outflows	85,700	124,625	(38,925)	-31.2%
<b>Liabilities</b>				
Other liabilities	29,846	33,798	(3,952)	-11.7%
Long-term obligations	102,013	104,534	(2,521)	-2.4%
OPEB liability	26,910	39,855	(12,945)	-32.5%
Net pension liability	13,073	12,558	515	4.1%
Total Liabilities	171,842	190,745	(18,903)	-9.9%
<b>Deferred Inflows</b>				
Related to pension	38,162	67,137	(28,975)	-43.2%
Related to OPEB	24,062	19,048	5,014	26.3%
Total Deferred Inflows	62,224	86,185	(23,961)	-27.8%
<b>Net Position</b>				
Net investment in capital assets	156,790	158,266	(1,476)	-0.9%
Restricted	9,956	11,227	(1,271)	-11.3%
Unrestricted (deficit)	59,464	60,628	(1,164)	1.9%
Total Net Position (restated)	\$ 226,210	\$ 230,121	\$ (3,911)	-1.7%

*Note: May be rounding differences.*

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Kenosha, Wisconsin**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

The assets and deferred outflows of resources of the District exceeded the liabilities and deferred inflows at the close of the fiscal year by \$226.2 million (net position), a decrease of \$3.9 million over the prior year's restated net position. Of this amount, \$156.8 million represents the net investment in capital assets, and \$9.9 million is restricted; this results in an unrestricted net position balance of \$59.5 million.

Total capital assets, net of accumulated depreciation and amortization, decreased by \$4.8 million due to the completion of the construction projects funded by ESSER III federal grant funds and the increased depreciation. The ESSER III grant funds period of availability ended September 30, 2025. Also, the District disposed of two buildings as a result of the rightsizing initiative that occurred in 2025.

Other liabilities decreased by \$3.9 million due to a reduction in end of year payables for construction projects.

The net pension liability increased \$0.5 million due to the actuarial study performed on behalf of the State of Wisconsin Retirement System (WRS) with a measurement date of December 31, 2024. The District does not have control over the results of that study.

Long-term obligations decreased by \$2.5 million as a result of general obligation bond payments of \$9.0 million, a decrease in debt premiums of \$1.2 million, an increase in right to use leases of \$8.6 million for the new LakeView Academy building lease and \$0.9 million in other long-term obligations.

Other post-employment benefits (OPEB) liability decreased by \$12.9 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 \$20.7 million liability, decreasing \$4.3 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 \$6.2 million, which decreased by approximately \$8.7 million from the previous year. The decrease in the liability resulted from the District contributing more revenues than expenses through a pay-as-you-go-plus funding mechanism.

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. \$156.8 million or 69.3% represents the net investment in capital assets.

The restricted net position results from restrictions imposed by external groups such as creditors, grantors, or other governments or through enabling legislation. Restricted net position accounts for 4.4% or \$9.9 million of the total net position; of this amount, \$1.8 million for debt service, \$1.2



**KENOSHA UNIFIED SCHOOL DISTRICT**  
Kenosha, Wisconsin

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

million for food service programs, \$4.1 million for community service programs, \$0.3 million for scholarships, and \$2.5 million for grants.

The remaining net position, called unrestricted net position, decreased \$1.2 million, resulting in a \$59.5 million or 26.3% unrestricted net position.

**Changes in Net Position**

Table 2 provides summarized operating results and their impact on net position for the year ended June 30, 2025, compared to 2024.

Table 2 Changes in Net Position from Operating Results (in thousands of dollars)				
	Governmental Activities		\$ Change	% Change
	2025	2024		
<b>Revenues</b>				
Program Revenues				
Charges for services	\$ 6,808	\$ 6,914	\$ (106)	-1.5%
Operating grants and contributions	50,843	69,549	(18,706)	-26.9%
General Revenues				
Property taxes	81,637	82,819	(1,182)	-1.4%
State and federal aids not restricted	171,769	163,656	8,113	5.0%
Interest and investment earnings	2,610	2,853	(243)	-8.5%
Contributions and gifts	1,021	864	157	18.2%
Miscellaneous	1,416	973	443	45.5%
Total Revenues	316,104	327,628	(11,524)	-3.5%
<b>Expenses</b>				
Instruction	169,649	168,765	884	0.5%
Support services	131,754	128,885	2,869	2.2%
Community services	1,209	1,159	50	4.3%
Non-program transactions	15,175	13,474	1,701	12.6%
Interest and fiscal charges	2,228	3,415	(1,187)	-34.8%
Total Expenses	320,015	315,698	4,317	1.4%
Change in Net Position	\$ (3,911)	\$ 11,930	\$ (15,841)	-132.8%

*Note: May be rounding differences.*

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Kenosha, Wisconsin**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

***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 25.8%, 54.3%, and 16.1% 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 tax levies throughout the state. In 2025, the total revenue limit increased 2.4%. Within the revenue limit the tax levy decreased 1.4% and general equalization state aid increased 4.3%.

Total property taxes on Table 2 decreased by \$1.2 million or 1.4% from the prior year. The property taxes category in Table 2 consists of property taxes inside and outside the revenue limit, mobile home fees and TIF close out payments.

General state equalization aid resides within the unrestricted state and federal aids amount on the *statement of activities*. 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 \$6.4 million or 4.3% over the prior year.

Program revenues, in the form of charges for services, decrease slightly from the prior year.

Operating grants and contributions decreased \$18.7 million or 26.9% for governmental activities compared to the prior year due to the decreased spending of the ESSER federal grant funds. ESSER federal grants period of availability ended September 30, 2025.

Interest and investment earnings are earnings on all cash sources. Investment earnings increased due to increased rates of return.

Miscellaneous revenues and donations and gifts to the District may vary from year to year based on the community's generosity.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
Kenosha, Wisconsin

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**Expenses**

Overall, total expenses in the statement of activities experienced a net increase of \$4.3 million or 1.4% compared to the prior year.

The increase in expenses occurs in the support services expense category related to the non-aidable payments to other post-employment benefits health insurance liability. The OPEB liability is based on actuarial reports.

Non-program transactions will vary from year to year depending on the number of students open enrolling out to other districts, the number of students participating in the voucher program and the costs associated with non-open enrollment tuition for special education students.

Interest and fiscal charges decreased from the prior year \$1.2 million or 34.8% as a result of decreasing general obligation debt.

**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.

<b>Table 3</b> <b>Total and Net Cost of Governmental Activities</b> (in thousands of dollars)								
	Total Cost of Services		\$ Change	% Change	Net Cost of Services		\$ Change	% Change
	2025	2024			2025	2024		
Instruction	\$ 169,649	\$ 168,765	\$ 884	0.5%	\$ 139,786	\$ 132,193	\$ 7,593	5.7%
Support services	131,754	128,885	2,869	2.2%	106,186	91,687	14,499	15.8%
Community services	1,209	1,159	50	4.3%	1,136	1,089	47	4.3%
Non-program transactions	15,175	13,474	1,701	12.6%	13,027	10,850	2,177	20.1%
Interest and fiscal charges	2,228	3,415	(1,187)	-34.8%	2,227	3,415	(1,188)	-34.8%
Totals	<u>\$ 320,015</u>	<u>\$ 315,698</u>	<u>\$ 4,317</u>	<u>1.4%</u>	<u>\$ 262,362</u>	<u>\$ 239,234</u>	<u>\$ 23,128</u>	<u>9.7%</u>

*Note: May be rounding differences.*

The cost of all governmental activities this year was \$320.0 million. Individuals who directly participated or benefited from a program offering paid \$6.8 million of the costs. Federal and state governments subsidized specific programs with grants and contributions of \$50.8 million. The general revenues of the District financed the net cost of governmental activities totaling \$258.5 million.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Kenosha, Wisconsin**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**Governmental Funds Financial Statements**

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.

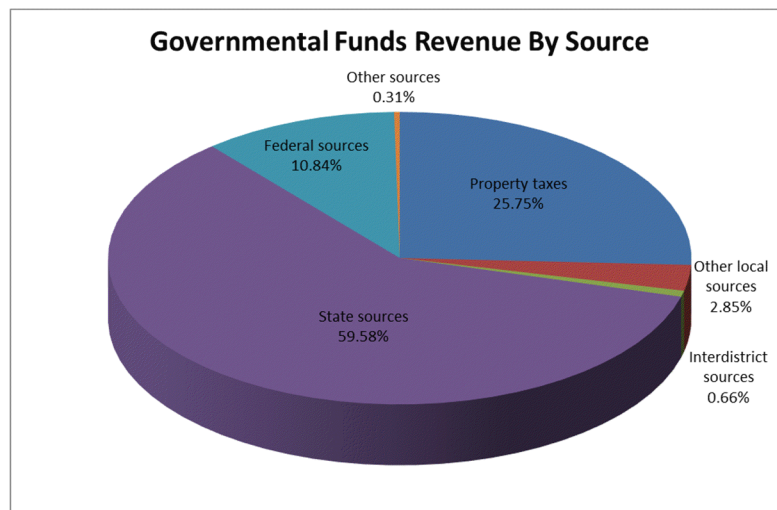
**Statement of Revenues, Expenditures and Changes in Fund Balances**

***Revenues***

Table 4 presents a comparison of the 2025 governmental funds revenue by source results to the 2024 results.

<b>Table 4</b>				
<b>Governmental Funds Revenue By Source</b>				
<b>(in thousands of dollars)</b>				
			<b>\$</b>	<b>%</b>
	<b>2025</b>	<b>2024</b>		
Property taxes	\$ 81,405	\$ 82,634	\$ (1,229)	-1.5%
Other local sources	9,002	9,212	(210)	-2.3%
Interdistrict sources	2,100	2,029	71	3.5%
State sources	188,344	180,797	7,547	4.2%
Federal sources	34,268	50,339	(16,071)	-31.9%
Other sources	984	2,629	(1,645)	-62.6%
Total	<u>\$ 316,103</u>	<u>\$ 327,640</u>	<u>\$ (11,537)</u>	<u>-3.5%</u>

*Note: May be rounding differences.*



**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Kenosha, Wisconsin**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

Total governmental fund revenues decreased from the prior year in total by \$11.5 million or 3.5%. Significant fluctuations occurred amongst the revenue categories.

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 tax levies throughout the state. In 2025, the total revenue limit increased 2.4%. Within the revenue limit the tax levy decreased 1.4% and general equalization state aid increased 4.3%.

Property taxes in the governmental funds decreased by \$1.2 million or 1.5% from the prior year.

Other local sources decreased \$0.2 million because mobile home fees collected was less than prior year.

Total state sources increased \$7.4 million or 4.2% from the prior year. General state equalization aid resides within the state sources in the governmental funds. 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 \$6.4 million or 4.3% over the prior year.

Federal sources decreased \$16.1 million or 31.9% from the prior year due to the ESSER III federal grant funds closing September 30, 2025.

Other sources decreased \$1.6 million from the prior year due to the District receiving in 2024 a \$2 million USAC E-rate received for information technology upgrades previously performed.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
Kenosha, Wisconsin

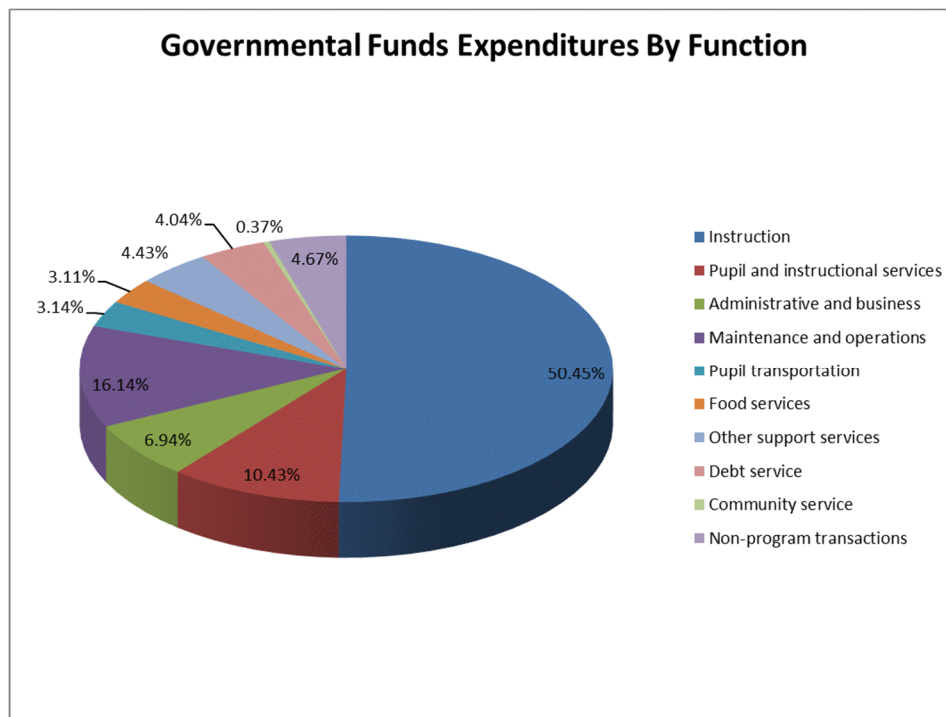
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**Expenditures**

Table 5 presents a comparison of the 2025 governmental funds expenditures by function results to the 2024 results.

<b>Table 5</b> <b>Governmental Funds Expenditures By Function</b> <b>(in thousands of dollars)</b>				
			\$	%
	2025	2024	Change	Change
Instruction	\$ 163,795	\$ 168,291	\$ (4,496)	-2.7%
Pupil and instructional services	33,879	36,655	(2,776)	-7.6%
Administrative and business	22,548	23,819	(1,271)	-5.3%
Maintenance and operations	40,289	38,807	1,482	3.8%
Pupil transportation	10,189	9,784	405	4.1%
Food services	10,089	10,067	22	0.2%
Other support services	14,393	16,580	(2,187)	-13.2%
Debt service	13,132	13,817	(685)	-5.0%
Community service	1,196	1,176	20	1.7%
Non-program transactions	15,175	13,474	1,701	12.6%
Total	<u>\$ 324,685</u>	<u>\$ 332,470</u>	<u>\$ (7,785)</u>	<u>-2.3%</u>

*Note: May be rounding differences.*



**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Kenosha, Wisconsin**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

Total governmental expenditures experienced an overall decrease of \$7.7 million or 2.3% from the prior year for several reasons.

Before fiscal year 2024-2025 began, the District completed eight months of a rightsizing process to reduce an estimated \$15MM budget deficit for the 2024-25 fiscal year. The estimated deficit for the 2024-2025 fiscal year consisted of increased health insurance costs, the loss of ESSER funding, and potential salary schedule movements. Kenosha Unified School District, like many districts, has been facing declining enrollment for many years, mainly due to a declining birth rate, and will be impacted by this trend for at least the next decade. In addition, the state has not adjusted the revenue limit for inflation for many years to allow for expenditure increases.

In December 2023, the Kenosha Unified School District Board of Education voted to close EBSOLA-Creative Arts, Jefferson, McKinley, Stocker and Vernon elementary schools; close Lincoln Middle School and move Washington Middle School to the EBSOLA building; and reduce the Reuther Central High School staff by approximately 10 full-time equivalent positions for the 2024-2025 fiscal year.

The instruction, pupil and instructional services, and administrative and business functions decreased as a result of staffing vacancies and position elimination as part of the rightsizing initiative.

The operation and maintenance function increased due additional major maintenance projects performed and additional building transformation costs due to the District's rightsizing initiative.

Pupil transportation and food service expenditures experienced inflationary price increases.

Other support services function decreased due to the one-time information technology upgrades performed in 2024 that were not a factor in 2025.

Debt service function decreased as a result of lower principal and interest payments.

Non-program transactions will vary from year to year depending on the number of students open enrolling out to other districts, the number of students participating in the voucher program and the costs associated with non-open enrollment tuition for special education students.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
Kenosha, Wisconsin

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

***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
	2025	2024		
General Fund	\$ 80,112	\$ 77,873	\$ 2,239	2.9%
Special Revenue Trust	2,381	2,403	(22)	-0.9%
Food service	1,183	2,611	(1,428)	-54.7%
Community service	4,100	4,144	(44)	-1.1%
Debt service	2,593	2,623	(30)	-1.1%
	<u>\$ 90,369</u>	<u>\$ 89,654</u>	<u>\$ 715</u>	<u>0.8%</u>

*Note: May be rounding differences.*

The District completed the year with a total governmental fund balance of \$90.4 million, which increased from last year's ending fund balance of \$89.6 million.

The general fund had an increase in fund balance of \$2.2 million. The general fund's actual results are discussed further in the General Fund Budgetary Highlights below.

At the end of the current fiscal year, the General Fund's unassigned fund balance was approximately \$74.6 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 \$67.5 million unassigned fund balance is approximately 27.3% of the fiscal year 2025 General Fund final budgeted expenditures and 26.9% of the actual 2025 general fund expenditures.

The special revenue trust fund had a minimal decrease in fund balance. The special revenue trust fund tracks the use of gifts and donations from private parties, scholarships and student activities.

The food service fund balance had a decrease of \$1.4 million as a result of all students receiving free breakfast and lunch.

The community service fund's fund balance will fluctuate each year based on community service activities' timing. In the current year, the community service fund's fund balance had a minimal decrease.

The debt service fund balance had a minimal decrease. The debt service fund's fund balance will fluctuate each year based on bond activity and bond payment timing.



**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Kenosha, Wisconsin**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**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.

**General Fund (Fund 10)**

The general fund was originally approved as an unbalanced budget in which expenditures were projected to exceed revenues by \$789,088, if all budget authority was fully exercised. The final budget adopted with carryovers, in which expenditures were projected to exceed revenues by \$3,728,724, if all budget authority was fully exercised.

Based on an analysis of District funded positions within the operational funds of the general fund (10) and special education fund (27), vacancies were projected to make up for most of the projected deficit after factoring in the likelihood of increases in other areas of the budget such as substitute teacher and special education support substitutes. The projection came to fruition and the actual net change in the general fund fund balance resulted in a net increase of \$2,238,902.

**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 \$1,750,866 less than budgeted.

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.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Kenosha, Wisconsin**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**CAPITAL ASSETS**

At the end of the fiscal year 2025, the District had invested \$414,181,877 in capital assets, including buildings, sites, and equipment (See Table 7). Total accumulated depreciation and amortization on the capital assets totaled \$159,227,624. Capital Asset net acquisitions for governmental activities totaled \$15,004,780. The majority of capital asset acquisitions are comprised of ESSER federal grant projects and a right to use lease issued for the new LakeView Academy building. Total net disposals equal \$10,793,808. The District recognized a depreciation/amortization expense of \$14,268,022 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
	2025	2024		
Land	\$ 9,456	\$ 9,498	\$ (42)	-0.4%
Construction in progress	-	9,741	(9,741)	-100.0%
Land improvements	16,735	17,344	(609)	-3.5%
Buildings and improvements	314,908	310,894	4,014	1.3%
Furniture and equipment	61,305	60,815	490	0.8%
Leased Assets (Right to Use)	11,778	1,679	10,099	601.5%
Total	<u>\$ 414,182</u>	<u>\$ 409,971</u>	<u>\$ 4,211</u>	<u>1.0%</u>

*Note: May be rounding differences.*

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Kenosha, Wisconsin**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**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 \$2.4 million mainly due to the scheduled principal payments for the general obligation bonds and related amortization of premiums.

<b>Table 8</b> <b>Outstanding Long-term Obligations</b> <b>(in thousands of dollars)</b>				
	Governmental Activities		\$ Change	% Change
	2025	2024		
General Obligation Bonds	\$ 85,210	\$ 94,265	\$ (9,055)	-9.6%
Debt premium	3,676	4,943	(1,267)	-25.6%
Lease Liability - Right to Use	9,262	632	8,630	1365.5%
Lease Liability - Financed Purchase	17	80	(63)	-78.8%
Compensated absences (restated)	3,848	4,450	(602)	-13.5%
Total	<u>\$ 102,013</u>	<u>\$ 104,370</u>	<u>\$ (2,357)</u>	<u>-2.3%</u>

*Note: May be rounding differences.*

The District has \$102.0 million in outstanding long-term obligations, a decrease from prior year of \$2.4 million due to general obligation bond payments of \$9.0 million, a decrease in debt premiums of \$1.3 million, an increase in right to use leases of \$8.6 million for the new LakeView Academy building lease and a decrease of \$0.7 in other long-term obligations.

**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 2022-2023 enrollment was 19,187. The 2023-2024 enrollment was 18,870. Continuing the downward trend, the third Friday count for the 2024-2025 school year enrollment was 18,522. The enrollment for the third Friday count for the 2025-2026 was 17,799.

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**Kenosha, Wisconsin**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

Kenosha Unified School District, like many districts, has been facing declining enrollment for many years, mainly due to a declining birthrate, and will be impacted by this trend for at least the next decade. As the District strives to maintain the services and opportunities currently offered, the district performed a rightsizing initiative. To achieve this goal, the District consolidated schools, changed school boundaries, and/or merged programs in the 2024-2025 school year.

Budget challenges have continued for the District for the 2025-2026 school year. The District's declining enrollment and inadequate inflationary increase in the revenue limit formula from the state continues to erode the District's revenue limit. With rising costs and decreasing revenues, the District needed to continue the rightsizing initiative and reduced the District's staffing by 46.78 full-time equivalents in the 2025-2026 budget.

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.

The overall economic conditions continue to be generally positive in and around Kenosha County. Kenosha County's unemployment rate continues to hover in the low to mid 3% range. However, the tight labor market is driving wage inflation, in all occupational levels.

**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 Office of Finance (262-359-6300), Kenosha Unified School District, 3600 52nd Street, Kenosha, WI 53144.

## **BASIC FINANCIAL STATEMENTS**

**KENOSHA UNIFIED SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2025**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 92,273,070
Receivables:	
Taxes	18,050,918
Accounts, Net	469,957
Due from Employee Benefit Trust Fund	4,514,854
Due from Other Governments	3,412,891
Inventories and Prepaid Items	899,912
Capital Assets:	
Nondepreciable	9,456,206
Depreciable/Amortizable	245,498,047
Total Assets	<u>374,575,855</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension Related Amounts	71,732,916
Other Postemployment Related Amounts	13,968,257
Total Deferred Outflows of Resources	<u>85,701,173</u>
<b>LIABILITIES</b>	
Accounts Payable	2,322,692
Due to Employee Benefit Trust Fund	7,431,266
Accrued and Other Current Liabilities	19,099,941
Accrued Interest Payable	759,073
Deposits Payable	233,093
Long-Term Obligations:	
Due in One Year	10,195,404
Due in More Than One Year	91,817,764
Other Postemployment Benefits Liability	26,909,980
Net Pension Liability	13,073,343
Total Liabilities	<u>171,842,905</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension Related Amounts	38,162,166
Other Postemployment Related Amounts	24,062,402
Total Deferred Inflows of Resources	<u>62,224,568</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	156,788,935
Restricted:	
Debt Service	1,833,994
Food Service	1,183,420
Community Service	4,100,013
Scholarships	283,865
Grants	2,555,188
Unrestricted	59,464,140
Total Net Position	<u><u>\$ 226,209,555</u></u>

See accompanying Notes to Basic Financial Statements.

**KENOSHA UNIFIED SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2025**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
<b>GOVERNMENTAL ACTIVITIES</b>				
Instruction	\$ 169,648,922	\$ 1,285,781	\$ 28,577,490	\$ (139,785,651)
Support Services	131,753,787	3,349,716	22,217,795	(106,186,276)
Community Services	1,209,443	73,191	-	(1,136,252)
Nonprogram	15,174,856	2,099,744	48,200	(13,026,912)
Interest and Fiscal Charges	2,227,660	-	-	(2,227,660)
Total Governmental Activities	<u>\$ 320,014,668</u>	<u>\$ 6,808,432</u>	<u>\$ 50,843,485</u>	<u>(262,362,751)</u>
<b>GENERAL REVENUES</b>				
Property Taxes				81,405,214
Other Taxes				231,635
State and Federal Aids Not Restricted to Specific Functions				171,768,498
Interest and Investment Earnings				2,609,303
Contributions and Gifts				1,021,320
Miscellaneous				1,415,250
Total General Revenues				<u>258,451,220</u>
<b>CHANGE IN NET POSITION</b>				(3,911,531)
Net Position - Beginning of Year, as Originally Stated				231,944,679
Restatement				<u>(1,823,593)</u>
Net Position - Beginning of Year, as Restated				<u>230,121,086</u>
<b>NET POSITION - END OF YEAR</b>				<u>\$ 226,209,555</u>

See accompanying Notes to Basic Financial Statements.

**KENOSHA UNIFIED SCHOOL DISTRICT  
BALANCE SHEET — GOVERNMENTAL FUNDS  
JUNE 30, 2025**

	General	Debt Service	Other Governmental Funds	Total
<b>ASSETS</b>				
Cash and Investments	\$ 82,091,293	\$ 2,593,067	\$ 7,588,710	\$ 92,273,070
Receivables:				
Taxes	18,050,918	-	-	18,050,918
Accounts, Net	447,296	-	22,661	469,957
Due from Other Funds	405,536	-	-	405,536
Due from Employee Benefit Trust Fund	4,480,059	-	34,795	4,514,854
Due from Other Governments	2,982,154	-	430,737	3,412,891
Inventories and Prepaid Items	474,308	-	425,604	899,912
Total Assets	<u>\$ 108,931,564</u>	<u>\$ 2,593,067</u>	<u>\$ 8,502,507</u>	<u>\$ 120,027,138</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 2,097,787	\$ -	\$ 224,905	\$ 2,322,692
Accrued and Other Current Liabilities	19,265,319	-	-	19,265,319
Due to Other Funds	-	-	405,536	405,536
Due to Employee Benefit Trust Fund	7,396,471	-	34,795	7,431,266
Due to Other Governments	349	-	-	349
Deposits Payable	60,067	-	173,026	233,093
Total Liabilities	<u>28,819,993</u>	<u>-</u>	<u>838,262</u>	<u>29,658,255</u>
<b>FUND BALANCES</b>				
Nonspendable	474,308	-	425,604	899,912
Restricted	2,555,188	2,593,067	5,141,694	10,289,949
Committed	-	-	2,096,947	2,096,947
Assigned	2,528,936	-	-	2,528,936
Unassigned	74,553,139	-	-	74,553,139
Total Fund Balances	<u>80,111,571</u>	<u>2,593,067</u>	<u>7,664,245</u>	<u>90,368,883</u>
Total Liabilities and Fund Balances	<u>\$ 108,931,564</u>	<u>\$ 2,593,067</u>	<u>\$ 8,502,507</u>	<u>\$ 120,027,138</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, 2025**

**Reconciliation to the Statement of Net Position**

Total fund balances as shown on previous page \$ 90,368,883

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. 254,954,253

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

Deferred Outflows Related to Pensions	71,732,916
Deferred Inflows Related to Pensions	(38,162,166)
Deferred Outflows Related to Other Postemployment Benefits	13,968,257
Deferred Inflows Related to Other Postemployment Benefits	(24,062,402)

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

Bonds and Notes Payable	(85,210,000)
Premium on Debt	(3,676,093)
Lease Liability - Right-to-Use	(9,261,702)
Finance Purchases	(17,523)
Compensated Absences	(3,682,472)
Other Postemployment Benefits Liability	(26,909,980)
Net Pension Liability	(13,073,343)
Accrued Interest on Long-Term Obligations	<u>(759,073)</u>

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

\$ 226,209,555

**KENOSHA UNIFIED SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2025**

	General	Debt Service	Other Governmental Funds	Total
<b>REVENUES</b>				
Property Taxes	\$ 67,592,272	\$ 12,312,942	\$ 1,500,000	\$ 81,405,214
Other Local Sources	4,769,044	191,838	4,040,732	9,001,614
Interdistrict Sources	2,099,744	-	-	2,099,744
State Sources	188,175,370	-	168,384	188,343,754
Federal Sources	23,490,557	-	10,777,672	34,268,229
Other Sources	969,279	-	15,303	984,582
Total Revenues	287,096,266	12,504,780	16,502,091	316,103,137
<b>EXPENDITURES</b>				
Instruction:				
Regular Instruction	110,756,072	-	548,822	111,304,894
Vocational Instruction	5,118,802	-	-	5,118,802
Special Education Instruction	38,302,327	-	-	38,302,327
Physical Curriculum	4,140,274	-	-	4,140,274
Co-Curricular Activities	3,084,758	-	-	3,084,758
Other Instruction	824,184	-	1,020,222	1,844,406
Total Instruction	162,226,417	-	1,569,044	163,795,461
Support Services:				
Pupil Services	19,814,352	-	507,827	20,322,179
Instructional Staff Services	13,476,734	-	79,848	13,556,582
General Administration Services	1,641,981	-	402,415	2,044,396
School Administration Services	14,474,639	-	3,562,318	18,036,957
Business Services	2,467,098	-	-	2,467,098
Operations and Maintenance of Plant	39,956,838	-	331,817	40,288,655
Pupil Transportation Services	10,115,424	-	73,475	10,188,899
Food Services	-	-	10,088,787	10,088,787
Central Services	3,166,476	-	-	3,166,476
Insurance	938,307	-	-	938,307
Other Support Services	10,253,882	-	34,795	10,288,677
Total Support Services	116,305,731	-	15,081,282	131,387,013
Debt Service:				
Principal	537,453	9,055,000	-	9,592,453
Interest and Fiscal Charges	59,680	3,479,589	-	3,539,269
Total Debt Service	597,133	12,534,589	-	13,131,722
Community Service	-	-	1,195,972	1,195,972
Nonprogram:				
General Tuition Payments	14,460,845	-	-	14,460,845
Post-Secondary Scholarship Expenditures	-	-	18,800	18,800
Special Education Tuition Payments	612,704	-	-	612,704
Adjustments and Refunds	82,486	-	21	82,507
Total Nonprogram	15,156,035	-	18,821	15,174,856
Total Expenditures	294,285,316	12,534,589	17,865,119	324,685,024
<b>EXCESS OF REVENUES UNDER EXPENDITURES</b>	(7,189,050)	(29,809)	(1,363,028)	(8,581,887)
<b>OTHER FINANCING SOURCES (USES)</b>				
Leases and Financed Purchases Issued	9,104,283	-	-	9,104,283
Proceeds from Sale of Capital Assets	192,603	-	-	192,603
Transfers In	131,066	-	-	131,066
Transfers Out	-	-	(131,066)	(131,066)
Total Other Financing Sources (Uses)	9,427,952	-	(131,066)	9,296,886
<b>NET CHANGE IN FUND BALANCES</b>	2,238,902	(29,809)	(1,494,094)	714,999
Fund Balances - Beginning of Year	77,872,669	2,622,876	9,158,339	89,653,884
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 80,111,571</u>	<u>\$ 2,593,067</u>	<u>\$ 7,664,245</u>	<u>\$ 90,368,883</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, 2025**

**Reconciliation to the Statement of Activities**

Net change in fund balances as shown on previous page \$ 714,999

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/amortization expense.

Capital Assets Reported as Capital Outlay Reported in Governmental Fund Statements	15,004,780
Depreciation/Amortization Expense Reported in the Statement of Activities	(14,268,022)
Net Book Value of Disposals	(5,536,601)

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	(9,095,893)
Finance Purchase Issued	(8,390)
Right-to-Use Leases Paid	466,144
Finance Purchases Paid	71,309
Long-Term Debt Principal Paid	9,055,000

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	110,825
Amortization of Debt Premium	1,266,540
Amortization of Loss on Advance Refunding	(65,756)
Compensated Absences	842,067
Net Pension Liability	(515,681)
Deferred Outflows of Resources Related to Pensions	(35,688,724)
Deferred Inflows of Resources Related to Pensions	28,975,390
Other Postemployment Benefits	12,944,721
Deferred Outflows of Resources Related to Other Postemployment Benefits	(3,169,791)
Deferred Inflows of Resources Related to Other Postemployment Benefits	(5,014,448)

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

\$ (3,911,531)

**KENOSHA UNIFIED SCHOOL DISTRICT  
STATEMENT OF NET POSITION — FIDUCIARY FUND  
JUNE 30, 2025**

	Retiree Health Insurance
<b>ASSETS</b>	
Cash and Investments	\$ 68,836,271
Due from District Funds	<u>7,431,266</u>
Total Assets	<u>76,267,537</u>
<b>LIABILITIES</b>	
Due to District Funds	<u>4,514,854</u>
<b>NET POSITION</b>	
Restricted for Post Employment Benefits	<u><u>\$ 71,752,683</u></u>

*See accompanying Notes to Basic Financial Statements.*

**KENOSHA UNIFIED SCHOOL DISTRICT  
STATEMENT OF CHANGES IN NET POSITION — FIDUCIARY FUND  
YEAR ENDED JUNE 30, 2025**

	<u>Retiree Health Insurance</u>
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 9,691,816
Plan Members	531,474
Investment Earnings	<u>3,175,259</u>
Total Additions	13,398,549
<b>DEDUCTIONS</b>	
Trust Fund Disbursements	<u>6,783,736</u>
<b>CHANGE IN NET POSITION</b>	6,614,812
Net Position - Beginning of Year	<u>65,137,871</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 71,752,683</u></u>

See accompanying Notes to Basic Financial Statements.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**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, 2025**

**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.

**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, 2025**

**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 principal and interest expenditures, including lease liabilities, 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, 2025**

**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 \$308,706 on June 30, 2025.

**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, 2025**

**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.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

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

**7. Capital Assets**

Capital assets, which include property 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. Capital assets are capitalized and reported at cost or estimated historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are not capitalized. Donated capital assets are recorded at acquisition value at the date of donation.

Land and construction in progress are not depreciated. The other tangible and intangible property, equipment and infrastructure of the primary government are depreciated/amortized 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
Right-to-Use Buildings	50
Right-to-Use Furniture & Equipment	4 to 15

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**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**

The liability for compensated absences reported in the district-wide statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

**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 noncancellable lease of equipment, vehicles and building space. The District recognizes a lease liability and a right-to-use lease asset (tangible or intangible) in the district-wide financial statements.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**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 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 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. Subsequently, the lease asset is amortized in a systematic and rational manner over the short of the lease term or the useful life of the underlying asset.

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 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 liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

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

**12. Pensions**

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

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

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

**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 following:

- Net OPEB Liability (Asset),
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Postemployment Benefits, and
- OPEB Expense (Revenue)

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.

**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.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**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**

**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.

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.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**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)**

**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/amortization, 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.

**F. Accounting Changes**

Effective July 1, 2024, the District implemented GASB Statement No. 101, *Compensated Absences*. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. As a result of the implementation of this standard, the compensated absences liability as of July 1, 2024 was restated by \$1,823,593 in governmental activities. The effect of the implementation of this standard is shown in the table below.

	Governmental Activities
Net Position, as Previously Reported	<u>\$ 231,944,679</u>
GASB Statement No. 101, <i>Compensated Absences</i>	<u>(1,823,593)</u>
Net Position, as Restated	<u><u>\$ 230,121,086</u></u>



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**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 fiduciary 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 \$161,109,341 on June 30, 2025, as summarized below:

Petty Cash and Cash on Hand	\$ 10,097
Deposits with Financial Institutions	20,391,522
Investments:	
Repurchase Agreement	15,736,113
Wisconsin Investment Series Cooperative (WISC):	
Cash Management Series	21,157,058
Investment Series	79,391,910
Term Series	24,421,243
Wisconsin Local Government Investment Pool	1,398
Total	<u>\$ 161,109,341</u>

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 92,273,070
Fiduciary Fund Statement of Net Position:	
Retiree Health Insurance	68,836,271
Total	<u>\$ 161,109,341</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

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

**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.

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 does not have any investments subject to fair value measurement as of June 30, 2025.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

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

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

**Custodial Credit Risk**

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

Deposits with financial institutions within the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the state of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Also, the state of Wisconsin has a State Guarantee Fund which provides a maximum of \$1,000,000 per public depository above the amount provided by an agency of the U.S. government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of June 30, 2025, \$19,829,256 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, 2025, the District held repurchase agreement investments of \$15,736,113 of which the underlying securities are held by the investment's counterparty, not in the name of the District.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

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

**Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. 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	\$ 1,398	\$ -	\$ -	\$ -	\$ 1,398
WISC Investments:					
Cash Management Series	21,157,058	-	21,157,058	-	-
Investment Series	79,391,910	-	79,391,910	-	-
Term Series	24,421,243	\$ -	24,421,243	-	-
Totals	<u>\$ 124,971,609</u>	<u>\$ -</u>	<u>\$ 124,970,211</u>	<u>\$ -</u>	<u>\$ 1,398</u>

**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, 2025, 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, 2025, the Wisconsin local government investment pool had a weighted average maturity of 3 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
Repurchase Agreements	<u>\$ 15,736,113</u>	<u>\$ 15,736,113</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

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

**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 \$124,970,211 at year-end consisting of \$21,157,058 invested in the Cash Management Series, \$79,391,910 invested in the Investment Series, and \$24,421,243 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.

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 \$1,398 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, 2025, 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, 2025**

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

**B. Capital Assets**

Capital asset activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets, Nondepreciable/Nonamortized:				
Land	\$ 9,497,868	\$ -	\$ 41,662	\$ 9,456,206
Construction in Progress	9,740,776	2,935,122	12,675,898	-
Total Capital Assets, Nondepreciable/Nonamortized	19,238,644	2,935,122	12,717,560	9,456,206
Capital Assets, Depreciable/Amortizable:				
Land Improvements	17,344,190	15,410	624,931	16,734,669
Buildings and Improvements	310,893,604	12,984,367	8,970,006	314,907,965
Furniture and Equipment	60,815,130	1,330,598	841,061	61,304,667
Leased Assets (Right-of-Use)	1,679,337	10,415,181	316,148	11,778,370
Subtotals	390,732,261	24,745,556	10,752,146	404,725,671
Less Accumulated Depreciation/Amortization for:				
Land Improvements	8,343,687	683,363	364,381	8,662,669
Buildings and Improvements	122,388,299	9,067,055	3,928,442	127,526,912
Furniture and Equipment	18,396,547	4,063,044	691,757	21,767,834
Leased Assets (Right-of-Use)	1,088,276	454,560	272,627	1,270,209
Subtotals	150,216,809	14,268,022	5,257,207	159,227,624
Total Capital Assets, Depreciable/Amortizable, Net	240,515,452	10,477,534	5,494,939	245,498,047
Governmental Activities Capital Assets, Net	<u>\$ 259,754,096</u>	<u>\$ 13,412,656</u>	<u>\$ 18,212,499</u>	254,954,253
Less: Capital Related Debt				(85,210,000)
Less: Financed Purchase and Right-to-Use Leases				(9,279,225)
Less: Debt Premium				<u>(3,676,093)</u>
Net Investment in Capital Assets				<u>\$ 156,788,935</u>

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

	Amortization	Depreciation	Total
<b>Governmental Activities:</b>			
Instruction	\$ -	\$ 2,617,476	\$ 2,617,476
Support Services	454,560	11,193,029	11,647,589
Community Services	-	2,957	2,957
Total Depreciation/ Amortization Expense - Governmental Activities	<u>\$ 454,560</u>	<u>\$ 13,813,462</u>	<u>\$ 14,268,022</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**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, 2025, are detailed below:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Temporary Cash Advances to Finance		
Operating Cash Deficits:		
General	\$ 405,536	\$ -
Special Revenue:		
Head Start	-	405,536
Subtotal	<u>405,536</u>	<u>405,536</u>
Retiree Health Insurance:		
General	4,480,059	7,396,471
Special Revenue:		
Food Service	25,585	25,585
Community Service	9,210	9,210
Fiduciary Fund	<u>7,431,266</u>	<u>4,514,854</u>
Subtotal	<u>11,946,120</u>	<u>11,946,120</u>
Totals	<u><u>\$ 12,351,656</u></u>	<u><u>\$ 12,351,656</u></u>

Interfund transfers for the year ended June 30, 2025, were as follows:

<u>Funds</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ 131,066	\$ -
Special Revenue:		
Head Start	-	131,066
Total	<u><u>\$ 131,066</u></u>	<u><u>\$ 131,066</u></u>

Interfund transfers were made for the following purposes:

Indirect Cost Reimbursement	<u><u>\$ 131,066</u></u>
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**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**D. Long-Term Obligations**

The following is a summary of changes in long-term obligations of the District for the year ended June 30, 2025:

	Beginning Balance	Adjustment (1)	Issued	Retired (2)	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>						
General Obligation Debt:						
Bonds	\$ 94,265,000	\$ -	\$ -	\$ 9,055,000	\$ 85,210,000	\$ 9,470,000
Debt Premium	4,942,633	-	-	1,266,540	3,676,093	-
Lease Liability - Right-to-Use	631,953	-	9,095,893	466,144	9,261,702	548,500
Financed Purchases	80,442	-	8,390	71,309	17,523	11,526
Compensated Absences	2,626,143	1,823,593	-	601,886	3,847,850	165,378
Governmental Activities Long-Term Obligations	<u>\$ 102,546,171</u>	<u>\$ 1,823,593</u>	<u>\$ 9,104,283</u>	<u>\$ 11,460,879</u>	<u>\$ 102,013,168</u>	<u>\$ 10,195,404</u>

(1) The beginning balance was restated due to the implementation of GASB No. 101, *Compensated Absences*, see Note 1.F.

(2) The change in compensated absences liability is presented as a net change.

Total interest paid during the year on long-term obligations totaled \$3,479,591.

**General Obligation Debt**

General obligation debt currently outstanding is detailed as follows:

		Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 6/30/25
General Obligation Bonds	Refinancing & EE Project	09/17/13	04/01/33	3.00%	\$ 23,100,000	\$ 8,790,000
General Obligation Bonds	Athletic Building	07/15/15	04/01/35	3.00% - 5.00%	30,005,000	10,345,000
General Obligation Bonds	Energy Efficiency Project	07/26/16	04/01/36	2.50% - 5.00%	28,945,000	14,535,000
General Obligation Bonds	Refunding & EE Project	06/15/17	04/01/37	3.00 - 5.00%	34,510,000	31,200,000
General Obligation Bonds	Refunding	10/08/19	04/01/29	3.00 - 5.00%	45,960,000	20,340,000
Total Outstanding General Obligation Debt						<u>\$ 85,210,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$85,210,000 on June 30, 2025, are detailed below:

<u>Year Ended June 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 9,470,000	\$ 3,036,291	\$ 12,506,291
2027	9,860,000	2,598,241	12,458,241
2028	9,675,000	2,268,103	11,943,103
2029	10,040,000	1,910,746	11,950,746
2030	6,190,000	1,536,768	7,726,768
2031 - 2035	31,630,000	4,285,408	35,915,408
2036 - 2037	8,345,000	370,125	8,715,125
Total	<u>\$ 85,210,000</u>	<u>\$ 16,005,682</u>	<u>\$ 101,215,682</u>



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

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

**General Obligation Debt (Continued)**

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

The District's legal margin for creation of additional general obligation debt on June 30, 2025, was \$1,501,674,507 as follows:

Equalized Valuation of the District	\$ 15,868,845,073
Statutory Limitation Percentage	(x) 10%
General Obligation Debt Limitation, per Section 67.03 of the Wisconsin Statutes	1,586,884,507
Outstanding General Obligation Debt Applicable to Debt Limitation	85,210,000
Legal Margin for New Debt	<u>\$ 1,501,674,507</u>

**E. Leases and Financed Purchases**

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

During the current year, the District entered into seven new right-to-use lease arrangements for vehicles and space. A lease liability was recorded in the amount of \$9,095,893 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 2055.

Total principal and interest costs for such leases for governmental funds were \$523,635 for the year ended June 30, 2025. 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>
2026	\$ 548,500	\$ 64,986	\$ 613,486
2027	494,739	47,877	542,616
2028	460,364	32,520	492,884
2029	420,200	20,442	440,642
2030	339,079	13,132	352,211
2031 - 2035	1,364,758	54,590	1,419,348
2036 - 2040	1,398,876	55,955	1,454,831
2041 - 2045	1,433,850	57,354	1,491,204
2046 - 2050	1,469,696	58,788	1,528,484
2051 - 2055	1,331,640	53,266	1,384,906
Total	<u>\$ 9,261,702</u>	<u>\$ 458,910</u>	<u>\$ 9,720,612</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**E. Leases and Financed Purchases (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	\$ 10,443,572
Leased Asset - Machinery and Equipment	1,334,798
Subtotal	11,778,370
Less: Accumulated Amortization	(1,270,209)
Total	<u>\$ 10,508,161</u>

**Financed Purchases**

The District is required to make various monthly principal and interest payments. These finance purchases have an interest rate of 3.5% to 14.5%. The machinery and equipment will have estimated useful lives of 3 to 5 years. No down payments were required for these agreements. The financed purchase leases expire at various dates through 2029.

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

	Governmental Activities
Assets:	
Furniture and Equipment	\$ 1,192,413
Less: Accumulated Amortization	(1,175,398)
Total	<u>\$ 17,015</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**E. Leases and Financed Purchases (Continued)**

**Financed Purchases (Continued)**

The future minimum obligations and the net present value of these minimum payments as of June 30, 2025 were as follows:

<u>Year Ended June 30,</u>	Governmental Activities		
	Principal	Interest	Total
2026	\$ 11,526	\$ 976	\$ 12,502
2027	2,059	340	2,399
2028	2,196	203	2,399
2029	1,742	57	1,799
Total	<u>\$ 17,523</u>	<u>\$ 1,576</u>	<u>\$ 19,099</u>

**F. 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, which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

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

**Vesting**

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**F. 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>
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	-	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)
2024	3.6	15.0

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**F. 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 year ended June 30, 2025, the WRS recognized \$10,628,871 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)	6.95 %	6.95 %

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

At June 30, 2025, the District reported a liability of \$13,073,343 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023 rolled forward to December 31, 2024. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2024, the District's proportion was 0.79561943%, which was a decrease of 0.04898719% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized pension expense of \$17,896,606.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**F. Pension Plan (Continued)**

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 40,599,887	\$ 38,151,159
Net Differences Between Projected and Actual		
Earnings on Pension Plan Investments	19,865,637	-
Changes in Assumptions	3,879,114	-
Changes in Proportion and Differences Between		
Employer Contributions and Proportionate Share		
of Contributions	809,862	11,007
Employer Contributions Subsequent to the		
Measurement Date	6,578,416	-
Total	<u>\$ 71,732,916</u>	<u>\$ 38,162,166</u>

\$6,578,416 reported as deferred outflows related to pension resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. 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>	(Revenue) Expense
2026	\$ 8,242,583
2027	27,373,970
2028	(6,584,270)
2029	(2,039,949)
Total	<u>\$ 26,992,334</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**F. Pension Plan (Continued)**

**Actuarial Assumptions**

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

Actuarial Valuation Date:	December 31, 2023
Measurement Date of Net Pension Liability (Asset):	December 31, 2024
Experience Study:	January 1, 2021 - December 31, 2023 Published November 19, 2024
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.7%
Mortality:	2020 WRS Experience Mortality Table
Postretirement Adjustments*:	1.7%

- \* No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate. Includes the impact of known Market Recognition Account deferred gains/losses on the liability for dividend payments.

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**F. 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:			
Public Equity	38.0 %	7.0 %	4.3 %
Public Fixed Income	27.0	6.1	3.4
Inflation Sensitive	19.0	4.8	2.1
Real Estate	8.0	6.5	3.8
Private Equity/Debt	20.0	9.5	6.7
Leverage	(12.0)	3.7	1.1
Total Core Fund	<u>100.0 %</u>	<u>7.5 %</u>	<u>4.8 %</u>
Variable Fund Asset Class:			
U.S. Equities	70.0 %	6.5 %	3.8 %
International Equities	30.0	7.4	4.7
Total Variable Fund	<u>100.0 %</u>	<u>6.9 %</u>	<u>4.2 %</u>

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.6%

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

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



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**F. Pension Plan (Continued)**

**Actuarial Assumptions (Continued)**

Single Discount Rate

A single discount rate of 6.80% was used to measure the total pension liability, for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 4.08% (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-Bond GO Index" is the Bond Buyer Index, general obligation, 20 years to maturity, mixed quality as of December 31, 2024. In describing this index, the Bond Buyer notes that the bonds' average quality is roughly equivalent to Moody's investors Service's Aa2 rating and Standard and Poor's Corp.'s AA.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan 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)	\$ 122,645,038	\$ 13,073,343	\$ (64,774,201)

Pension Plan Fiduciary Net Position

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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**F. Pension Plan (Continued)**

**Payable to the Pension Plan**

The District reported a payable of \$3,983,880 for the outstanding amount of contributions to the pension plan as of June 30, 2025.

**G. Other Postemployment Benefits**

The District reports OPEB related balances at June 30, 2025, as summarized below:

	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Single-Employer Defined OPEB Plan	\$ 6,155,824	\$ 8,420,716	\$ 8,448,441	\$ 4,349,210
Local Retiree Life Insurance Fund (LRLIF)	20,754,156	5,547,541	15,613,961	693,715
Total	<u>\$ 26,909,980</u>	<u>\$ 13,968,257</u>	<u>\$ 24,062,402</u>	<u>\$ 5,042,925</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, 2024 actuarial valuation, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	290
Active Employees	<u>1,888</u>
Total	<u><u>2,178</u></u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**G. 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, 2025**

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

**G. 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.

***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, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2024.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**G. 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, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	2.31%
Salary Increases Including Inflation:	WRS
Investment Rate of Return:	3.10%
Healthcare Cost Trend Rates:	6.40% for 2023-2024 increasing to 5.70% for 2024-2025, 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, 2024 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 3.10%. 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 4.64%. 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, 2025**

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

**G. 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, 2024	\$ 79,965,000	\$ 65,137,871	\$ 14,827,129
Changes for the Year:			
Service Cost	4,581,209	-	4,581,209
Interest	3,085,067	-	3,085,067
Effect of Economic/Demographic Gains or Losses	1,253,950	-	1,253,950
Effect of Assumptions Changes or Inputs	(4,192,983)	-	(4,192,983)
Contributions - Employer	-	9,691,816	(9,691,816)
Member Contributions	-	531,474	(531,474)
Net Investment Income	-	3,175,258	(3,175,258)
Benefit Payments	(6,783,736)	(6,783,736)	-
Net Changes	(2,056,493)	6,614,812	(8,671,305)
Balance at June 30, 2025	<u>\$ 77,908,507</u>	<u>\$ 71,752,683</u>	<u>\$ 6,155,824</u>

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

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.64%) or 1-percentage-point higher (5.64%) than the current rate:

	1% Decrease to Discount Rate (3.64%)	Current Discount Rate (4.64%)	1% Increase to Discount Rate (5.64%)
Net OPEB Liability	\$ 11,168,157	\$ 6,155,824	\$ 1,413,959

**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 (5.40% decreasing to 2.70%) or 1-percentage-point higher (7.40% decreasing to 4.70%) than the current healthcare cost trend rates:

	1% Decrease (5.40% decreasing to 2.70%)	Healthcare Cost Trend Rates (6.40% decreasing to 3.70%)	1% Increase (7.40% decreasing to 4.70%)
Net OPEB Liability	\$ (1,355,221)	\$ 6,155,824	\$ 14,881,372

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

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

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

**Changes in the Net OPEB Liability (Continued)**

**OPEB Plan Fiduciary Net Position**

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

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

For the year ended June 30, 2025, the District recognized OPEB expense of \$4,349,210. At June 30, 2025, 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	\$ 5,470,972	\$ 702,230
Changes in Assumptions	2,949,744	6,390,261
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	1,355,950
Total	<u>\$ 8,420,716</u>	<u>\$ 8,448,441</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
2026	\$ (653,696)
2027	(626,851)
2028	(89,609)
2029	362,467
2030	569,512
Thereafter	410,452
Total	<u>\$ (27,725)</u>

**Payable to the OPEB Plan**

At June 30, 2025, the District reported a payable of \$7,431,266 for the outstanding amount of contribution to the plan.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

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

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

**Plan Description**

The LRLIF is a multiple-employer, defined benefit other postemployment 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 post employment life insurance benefits for all eligible members.

**OPEB Plan Fiduciary Net Position**

ETF issues a standalone Annual Comprehensive Financial Report, which can be found at <https://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, 2025 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, 2025**

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

**G. 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 members 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, 2024 are listed below:

Life Insurance Employee Contribution Rates* For the Year Ended December 31, 2024		
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, 2025, LRLIF recognized \$112,125 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, 2025, the District reported a liability of \$20,754,156 for its proportionate share of the net LRLIF OPEB liability. The net LRLIF OPEB liability was measured as of December 31, 2024, and the total LRLIF OPEB liability used to calculate the net LRLIF OPEB liability was determined by an actuarial valuation as of January 1, 2024 rolled forward to December 31, 2024. 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, 2024, the District's proportion was 5.30490500%, which was a decrease of 0.13509800% from its proportion measured as of December 31, 2023.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**G. 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, 2025, the District recognized OPEB expense of \$693,715 from the LRLIF plan.

At June 30, 2025, 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	\$ -	\$ 2,159,159
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	285,008	-
Changes in Assumptions	5,092,482	11,640,570
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	170,051	1,814,232
Total	<u>\$ 5,547,541</u>	<u>\$ 15,613,961</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>
2026	\$ (1,017,632)
2027	(1,988,598)
2028	(2,807,166)
2029	(2,687,441)
2030	(767,482)
Thereafter	(798,101)
Total	<u>\$ (10,066,420)</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**G. 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 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, 2024
Measurement Date of Net OPEB Liability (Asset):	December 31, 2024
Experience Study:	January 1, 2021 - December 31, 2023 Published November 19, 2024
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	4.08%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	4.09%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.1% - 5.7%
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. The total LRLIF OPEB liability for December 31, 2024 is based upon a roll-forward of the liability calculated from the January 1, 2024 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, 2025**

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

**G. 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)**

**Long-Term Expected Return on Plan Assets (Continued)**

Local OPEB Life Insurance Asset Allocation Targets and Expected Returns As of December 31, 2024			
Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
U.S. Intermediate Credit Bonds	Bloomberg US Interim Credit	40.0 %	2.41 %
U.S. Mortgages	Bloomberg US MBS	60.0	2.71
Inflation			2.30
Long-Term Expected Rate of Return			4.25

**Single Discount Rate**

A single discount rate of 4.09 % was used to measure the total LRLIF OPEB liability for the current year, as opposed to a discount rate of 3.32% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 3.26% as of December 31, 2023 to 4.08% as of December 31, 2024. The plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. 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 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, 2037.

The project of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**G. 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 4.09%, 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 (3.09%) or 1-percentage-point higher (5.09%) than the current rate:

	1% Decrease to Discount Rate (3.09%)	Current Discount Rate (4.09%)	1% Increase to Discount Rate (5.09%)
District's Proportionate Share of the Net LRLIF OPEB Liability	\$ 27,740,834	\$ 20,754,156	\$ 15,370,289

**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**

The District reported a payable of \$-0- for the outstanding amount of contribution to the plan for the year ended June 30, 2025.

**H. Fund Equity**

**Nonspendable Fund Balance**

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At June 30, 2025, nonspendable fund balance was as follows:

	General	Nonmajor	Total
Nonspendable:			
Inventories and Prepaid Items	\$ 474,308	\$ 425,604	\$ 899,912

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**H. Fund Equity (Continued)**

**Restricted Fund Balance**

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At June 30, 2025, restricted fund balance was as follows:

General Fund:

Restricted for:

Grants	\$ 1,868,320
Common School Library Fund	<u>686,868</u>
Total General Fund Restricted Fund Balance	<u>2,555,188</u>

Special Revenue Funds:

Restricted for:

Community Services	4,100,013
Scholarships	283,865
Food Services Program	<u>757,816</u>
Total Special Revenue Fund	
Restricted Fund Balance	5,141,694

Debt Service Fund:

Restricted for:

Retirement of Long-Term Debt	<u>2,593,067</u>
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Total Restricted Fund Balance	<u><u>\$ 10,289,949</u></u>
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**Committed Fund Balance**

In the fund financial statements, portions of government fund balances are committed by District Board action. At June 30, 2025, fund balance was committed as follows:

Special Revenue Funds:

Committed for:

Donations	\$ 482,927
Student Activities	<u>1,614,020</u>
Total Committed Fund Balance	<u><u>\$ 2,096,947</u></u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

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

**H. 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, 2025, fund balance was assigned as follows:

General Fund:

Assigned for:

Charter Schools	\$ 926,268
Budget Carryovers	<u>1,602,668</u>
Total Assigned Fund Balance	<u><u>\$ 2,528,936</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 2026 General Fund Expenditures	\$ 265,541,196
Minimum Fund Balance %	(x) 15% - 20%
Minimum Fund Balance Amount	<u><u>\$39,831,179 to \$53,108,239</u></u>

The District's unassigned General Fund balance of \$74,553,139 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, 2025, restricted fiduciary fund net position was as follows:

Fiduciary Funds:

Restricted for:

Postemployment Benefits	<u><u>\$ 71,752,683</u></u>
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**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**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, 2025.

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.

At June 30, 2025, the District has reported a liability of \$1,757,806 which represents reported and unreported claims which were incurred on or before June 30, 2025, 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, 2024 and June 30, 2025, are as follows:

	Liability July 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability June 30
2024	\$ 1,164,977	\$ 3,492,960	\$ 1,396,605	\$ 3,261,332
2025	3,261,332	(760,950)	2,264,476	235,906

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



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 OTHER INFORMATION (CONTINUED)**

**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.

## **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, 2025**

	Budget		Actual	Variance Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 67,592,272	\$ 67,592,272	\$ 67,592,272	\$ -
Other Local Sources	3,969,165	4,177,238	4,769,044	591,806
Interdistrict Sources	2,000,000	2,000,000	2,099,744	99,744
State Sources	173,587,895	173,677,173	175,181,628	1,504,455
Federal Sources	20,513,142	21,150,779	18,411,084	(2,739,695)
Other Sources	150,000	150,000	969,279	819,279
Total Revenues	267,812,474	268,747,462	269,023,051	275,589
<b>EXPENDITURES</b>				
Instruction:				
Regular Instruction	117,668,948	117,517,507	110,756,072	6,761,435
Vocational Instruction	5,294,451	5,963,002	5,118,802	844,200
Physical Curriculum	4,304,085	4,367,757	4,140,274	227,483
Co-Curricular Activities	2,803,274	2,965,111	3,084,758	(119,647)
Other Instruction	816,467	934,725	824,184	110,541
Total Instruction	130,887,225	131,748,102	123,924,090	7,824,012
Support Services:				
Pupil Services	12,001,937	13,225,731	12,113,726	1,112,005
Instructional Staff Services	13,371,613	14,753,078	12,199,400	2,553,678
General Administration Services	1,493,466	1,708,610	1,641,981	66,629
School Administration Services	12,903,796	12,913,011	14,474,639	(1,561,628)
Business Services	2,544,013	2,544,013	2,467,098	76,915
Operations and Maintenance of Plant	29,145,660	29,133,214	39,940,831	(10,807,617)
Pupil Transportation Services	7,280,642	7,367,645	6,452,510	915,135
Central Services	3,053,920	3,013,174	3,164,642	(151,468)
Insurance	1,043,581	1,043,581	938,307	105,274
Other Support Services	6,223,372	6,290,819	9,551,552	(3,260,733)
Total Support Services	89,062,000	91,992,876	102,944,686	(10,951,810)
Debt Service:				
Principal	-	-	537,453	(537,453)
Interest and Fiscal Charges	1,000	1,000	59,680	(58,680)
Total Debt Service	1,000	1,000	597,133	(596,133)
Nonprogram:				
General Tuition Payments	13,382,917	13,407,254	14,460,845	(1,053,591)
Adjustments and Refunds	(335,661)	(251,635)	82,136	(333,771)
Total Nonprogram	13,047,256	13,155,619	14,542,981	(1,387,362)
Total Expenditures	232,997,481	236,897,597	242,008,890	(5,111,293)
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	34,814,993	31,849,865	27,014,161	(4,835,704)
<b>OTHER FINANCING SOURCES (USES)</b>				
Leases Issued	-	-	9,104,283	9,104,283
Proceeds from Sale of Capital Assets	192,603	192,603	192,603	-
Transfers In	361,498	386,990	335,171	(51,819)
Transfers Out	(36,158,182)	(36,158,182)	(34,407,316)	1,750,866
Total Other Financing Sources (Uses)	(35,604,081)	(35,578,589)	(24,775,259)	10,803,330
<b>NET CHANGE IN FUND BALANCE</b>	(789,088)	(3,728,724)	2,238,902	5,967,626
Fund Balance - Beginning of Year	77,872,669	77,872,669	77,872,669	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 77,083,581</u>	<u>\$ 74,143,945</u>	<u>\$ 80,111,571</u>	<u>\$ 5,967,626</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, 2025**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
State Sources	\$ 13,486,068	\$ 13,486,068	\$ 12,993,742	\$ (492,326)
Federal Sources	5,508,324	5,508,324	5,079,473	(428,851)
Total Revenues	18,994,392	18,994,392	18,073,215	(921,177)
<b>EXPENDITURES</b>				
Instruction:				
Special Education Instruction	42,515,732	42,421,348	38,302,327	4,119,021
Other Instruction	66	66	-	66
Total Instruction	42,515,798	42,523,459	38,302,327	4,221,132
Support Services:				
Pupil Services	7,686,088	7,686,063	7,700,626	(14,563)
Instructional Staff Services	1,160,930	1,164,219	1,277,334	(113,115)
Operations and Maintenance of Plant	301	13,727	16,007	(2,280)
Pupil Transportation Services	3,406,322	3,412,422	3,662,914	(250,492)
Central Services	-	1,643	1,834	(191)
Other Support Services	97,064	97,064	702,330	(605,266)
Total Support Services	12,350,705	12,375,138	13,361,045	(985,907)
Nonprogram:				
Special Education Tuition Payments	25,000	25,000	612,704	(587,704)
Adjustments and Refunds	32,094	-	350	(350)
Total Nonprogram	57,094	25,000	613,054	(588,054)
Total Expenditures	54,923,597	54,923,597	52,276,426	2,647,171
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(35,929,205)	(35,929,205)	(34,203,211)	1,725,994
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	36,158,178	36,158,178	34,407,316	(1,750,862)
Transfers Out	(228,973)	(228,973)	(204,105)	24,868
Total Other Financing Sources (Uses)	35,929,205	35,929,205	34,203,211	(1,725,994)
<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\***

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:									
Service Cost	\$ 4,581,209	\$ 4,787,880	\$ 4,549,529	\$ 5,162,700	\$ 4,997,622	\$ 4,529,182	\$ 6,106,457	\$ 6,136,970	\$ 6,651,090
Interest	3,085,067	2,738,204	2,481,324	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	1,253,950	1,950,381	1,585,955	2,066,524	605,150	(1,547,420)	(485,969)	619,689	2,052,664
Effect of Assumptions Changes or Inputs	(4,192,983)	915,501	2,628,720	(1,266,619)	303,369	745,486	(5,083,461)	(1,839,964)	(4,525,856)
Benefit Payments	(6,783,736)	(6,799,147)	(6,553,096)	(5,670,319)	(4,566,795)	(4,718,297)	(7,729,757)	(6,739,916)	(8,699,457)
Net Change in Total OPEB Liability	(2,056,493)	3,592,819	4,692,432	1,858,251	2,899,480	1,346,850	(34,103,805)	1,771,899	(1,618,617)
Total OPEB Liability - Beginning	79,965,000	76,372,181	71,679,749	69,821,498	66,922,018	65,575,168	99,678,973	97,907,074	99,525,691
Total OPEB Liability - Ending (a)	<u>\$ 77,908,507</u>	<u>\$ 79,965,000</u>	<u>\$ 76,372,181</u>	<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	\$ 9,691,816	\$ 9,708,154	\$ 10,403,649	\$ 12,984,449	\$ 10,398,181	\$ 10,482,243	\$ 12,103,990	\$ 10,928,534	\$ 12,316,038
Net Investment Income	3,175,258	2,468,704	1,997,040	70,487	170,331	413,227	548,843	286,003	104,661
Benefit Payments	(6,783,736)	(6,799,147)	(6,553,096)	(5,670,319)	(4,566,795)	(4,718,297)	(7,729,757)	(6,739,916)	(8,699,457)
Administrative Expenses	-	-	(13,500)	-	(13,905)	(13,500)	-	-	372,857
Member Contributions	531,474	545,340	520,810	492,484	355,454	351,426	462,613	437,193	386,295
Net Change in Plan Fiduciary Net Position	6,614,812	5,923,051	6,354,903	7,877,101	6,343,266	6,515,099	5,385,689	4,911,814	4,480,394
Plan Fiduciary Net Position - Beginning	65,137,871	59,214,820	52,859,917	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>\$ 71,752,683</u>	<u>\$ 65,137,871</u>	<u>\$ 59,214,820</u>	<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>\$ 6,155,824</u>	<u>\$ 14,827,129</u>	<u>\$ 17,157,361</u>	<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	92%	81%	78%	74%	64%	58%	49%	27%	22%
Covered-Employee Payroll	\$ 163,326,346	\$ 153,078,890	\$ 148,737,357	\$ 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	4%	10%	12%	13%	17%	20%	24%	55%	57%
Annual Money-Weighted Rate of Return, Net of Investment Expenses	4.74%	4.04%	3.88%	0.16%	0.44%	1.17%	1.87%	1.18%	0.53%

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.

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\***

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially Determined Contribution (ADC)	\$ 5,592,050	\$ 5,891,621	\$ 5,714,693	\$ 6,409,868	\$ 6,414,431	\$ 6,492,823	\$ 10,483,198	\$ 10,528,984	\$ 10,952,469
Contributions in Relation to the ADC	9,691,816	9,708,154	10,403,649	12,984,449	10,398,181	10,482,243	12,103,990	10,928,534	12,316,038
Contribution Deficiency (Excess)	<u>\$ (4,099,766)</u>	<u>\$ (3,816,533)</u>	<u>\$ (4,688,956)</u>	<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	\$ 163,326,346	\$ 153,078,890	\$ 148,737,357	\$ 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	5.93%	6.34%	6.99%	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	Entry Age Normal	Entry Age Normal	Entry Age Normal
Asset Valuation Method	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	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	30 Year Level Dollar	30 Year Level Dollar	30 Year Level Dollar
Discount Rate	3.80%	3.80%	3.40%	2.17%	2.24%	3.45%	3.85%	3.85%	3.57%
Inflation	2.31%	2.31%	2.35%	2.20%	2.20%	2.30%	2.3%	2.3%	3.0%

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.

*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)
12/31/15	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
12/31/22	0.88112271	46,679,271	153,971,111	30.32	95.72
12/31/23	0.84460662	12,557,662	156,932,938	8.00	98.85
12/31/24	0.79561943	13,073,343	157,369,895	8.31	98.79

**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
6/30/16	\$ 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
6/30/23	10,369,453	10,369,453	-	155,154,496	6.68
6/30/24	10,969,863	10,969,863	-	159,883,712	6.86
6/30/25	10,628,871	10,628,871	-	153,362,168	6.93

*The amounts presented for each fiscal year were determined as of the current fiscal year-end.*

*See Notes to Required Supplementary Information.*

**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
12/31/22	5.59712800	21,324,088	122,726,000	17.38	38.81
12/31/23	5.44000400	25,027,572	123,087,000	20.33	33.90
12/31/24	5.30490500	20,754,156	120,926,000	17.16	37.20

**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	0.08%
6/30/19	110,439	110,439	-	147,162,795	0.08%
6/30/20	113,374	113,374	-	152,357,105	0.07%
6/30/21	120,797	120,797	-	151,049,090	0.08%
6/30/22	114,642	114,642	-	153,118,905	0.07%
6/30/23	111,596	111,596	-	155,154,496	0.07%
6/30/24	112,628	112,628	-	159,883,712	0.07%
6/30/25	112,125	112,125	-	153,362,168	0.07%

\*Amounts for prior years were not available.



**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2025**

**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, 2025.

Changes of Assumptions

6/30/2024	Actuarial assumptions used to develop the Total OPEB Liability changed, including the discount rate, expected rate of return, medical trend rates, and expected medical costs.
6/30/2023	Actuarial assumptions used to develop the Total OPEB Liability changed, including the discount rate and medical trend rates.
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, 2025**

**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 State of Wisconsin Employee Trust Fund 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 retiree life insurance programs and are summarized below.

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

- Lowering the price inflation rate from 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 from 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, 2025**

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

**Changes of Assumptions (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

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2025**

**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's total General Fund expenditures for the fiscal year ended June 30, 2025, exceed budget by \$5,111,293.

**KENOSHA UNIFIED SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2025**

**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)	\$ 269,023,051	\$ 18,073,215
Reclassification of Special Education	<u>18,073,215</u>	<u>(18,073,215)</u>
Total Revenues	287,096,266	-
Expenditures:		
Actual Amounts (Budgetary Basis)	242,008,890	52,276,426
Reclassification of Special Education	<u>52,276,426</u>	<u>(52,276,426)</u>
Total Expenditures	294,285,316	-
Excess Revenues Over (Under) Expenditures:		
Actual Amounts (Budgetary Basis)	27,014,161	(34,203,211)
Reclassification of Special Education	<u>(34,203,211)</u>	<u>34,203,211</u>
Excess of Revenues Over (Under) Expenditures	(7,189,050)	-
Other Financing Sources (Uses):		
Actual Amounts (Budgetary Basis)	(24,775,259)	34,203,211
Reclassification of Special Education	<u>34,203,211</u>	<u>(34,203,211)</u>
Total Other Financing Sources (Uses)	9,427,952	-
Net Change in Fund Balance		
Actual Amounts (Budgetary Basis)	2,238,902	-
Fund Balance - Beginning of the Year		
Actual Amounts (Budgetary Basis)	<u>77,872,669</u>	<u>-</u>
Fund Balance - End of the Year		
Actual Amounts (Budgetary Basis)	<u><u>\$ 80,111,571</u></u>	<u><u>\$ -</u></u>

## **SUPPLEMENTARY INFORMATION**

**KENOSHA UNIFIED SCHOOL DISTRICT  
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2025**

	Special Revenue				Total Nonmajor Governmental Funds
	Head Start	Special Revenue Trust	Food Service	Community Service	
ASSETS					
Cash and Investments	\$ 132,278	\$ 2,403,565	\$ 928,530	\$ 4,124,337	\$ 7,588,710
Receivables:					
Accounts, Net	-	4,292	-	18,369	22,661
Due to Employee Benefit Trust Fund	-	-	25,585	9,210	34,795
Due from Other Governments	405,606	-	25,131	-	430,737
Inventories and Prepaid Items	-	-	425,604	-	425,604
Total Assets	<u>\$ 537,884</u>	<u>\$ 2,407,857</u>	<u>\$ 1,404,850</u>	<u>\$ 4,151,916</u>	<u>\$ 8,502,507</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 132,348	\$ 27,045	\$ 22,819	\$ 42,693	\$ 224,905
Due to Other Funds	405,536	-	-	-	405,536
Due to Employee Benefit Trust Fund	-	-	25,585	9,210	34,795
Deposits Payable	-	-	173,026	-	173,026
Total Liabilities	<u>537,884</u>	<u>27,045</u>	<u>221,430</u>	<u>51,903</u>	<u>838,262</u>
FUND BALANCES					
Nonspendable	-	-	425,604	-	425,604
Restricted	-	283,865	757,816	4,100,013	5,141,694
Committed	-	2,096,947	-	-	2,096,947
Total Fund Balances	<u>-</u>	<u>2,380,812</u>	<u>1,183,420</u>	<u>4,100,013</u>	<u>7,664,245</u>
Total Liabilities and Fund Balances	<u>\$ 537,884</u>	<u>\$ 2,407,857</u>	<u>\$ 1,404,850</u>	<u>\$ 4,151,916</u>	<u>\$ 8,502,507</u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2025**

	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	-	3,435,400	522,101	83,231	4,040,732
State Sources	-	-	168,384	-	168,384
Federal Sources	2,651,556	-	8,126,116	-	10,777,672
Other Sources	-	15,303	-	-	15,303
Total Revenues	2,651,556	3,450,703	8,816,601	1,583,231	16,502,091
<b>EXPENDITURES</b>					
Instruction:					
Regular Instruction	464,727	84,095	-	-	548,822
Other Instruction	1,020,222	-	-	-	1,020,222
Total Instruction	1,484,949	84,095	-	-	1,569,044
Support Services:					
Pupil Services	507,827	-	-	-	507,827
Instructional Staff Services	3,808	76,040	-	-	79,848
General Administration Services	-	-	-	402,415	402,415
School Administration Services	267,210	3,295,108	-	-	3,562,318
Operations and Maintenance of Plant	170,405	-	142,951	18,461	331,817
Pupil Transportation Services	72,761	-	-	714	73,475
Food Services	13,530	-	10,075,257	-	10,088,787
Other Support Services	-	-	25,585	9,210	34,795
Total Support Services	1,035,541	3,371,148	10,243,793	430,800	15,081,282
Community Service	-	-	-	1,195,972	1,195,972
Nonprogram:					
Post-Secondary Scholarship Expenditures	-	18,800	-	-	18,800
Adjustments and Refunds	-	-	21	-	21
Total Nonprogram	-	18,800	21	-	18,821
Total Expenditures	2,520,490	3,474,043	10,243,814	1,626,772	17,865,119
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	131,066	(23,340)	(1,427,213)	(43,541)	(1,363,028)
<b>OTHER FINANCING USES</b>					
Transfers Out	(131,066)	-	-	-	(131,066)
<b>NET CHANGE IN FUND BALANCE</b>	-	(23,340)	(1,427,213)	(43,541)	(1,494,094)
Fund Balance - Beginning of Year	-	2,404,152	2,610,633	4,143,554	9,158,339
<b>FUND BALANCE - END OF YEAR</b>	\$ -	\$ 2,380,812	\$ 1,183,420	\$ 4,100,013	\$ 7,664,245



**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF CHARTER SCHOOL AUTHORIZER OPERATING COSTS  
YEAR ENDED JUNE 30, 2025**

	<u>Object</u>	<u>Harborside Academy</u>
Operating Activity:		
Employee Salaries	100	\$ 210,263
Employee Benefits	200	98,636
Purchased Services	300	21,106
Noncapital Objects	400	6,240
Other	900	15
Total		<u><u>\$ 336,260</u></u>

**KENOSHA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF CHARTER SCHOOL OPERATING COSTS  
YEAR ENDED JUNE 30, 2025**

	<u>WUFAR</u>	<u>Harborside Academy</u>
Function:		
Undifferentiated Curriculum	110000	\$ 4,863,743
Regular Instruction	120000	25,792
Vocational Instruction	130000	775
Physical Curriculum	140000	5,588
Special Education Instruction	150000	514,789
Co-curriculum Activities	160000	514
Pupil Services	210000	215,218
Instructional Staff Training	220000	74,090
School Administration Services	240000	393,764
Business Administration Services	250000	372,276
Total		<u>\$ 6,466,549</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, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 4, 2025.

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

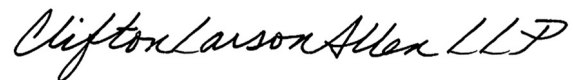
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses, or significant deficiencies may exist that were not 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 black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
December 4, 2025

## Elementary schools

### **Bose Elementary School**

1900 15th St., Kenosha, WI 53140  
262-359-4044  
[kUSD.edu/bose](http://kUSD.edu/bose)

### **Brass Community School**

6400 15th Ave., Kenosha, WI 53143  
262-359-8000  
[kUSD.edu/brass](http://kUSD.edu/brass)

### **Curtis Strange Elementary School**

5414 49th Ave., Kenosha, WI 53144  
262-359-6024  
[kUSD.edu/strange](http://kUSD.edu/strange)

### **Forest Park Elementary School**

6810 45th Ave., Kenosha, WI 53142  
262-359-6319  
[kUSD.edu/forestpark](http://kUSD.edu/forestpark)

### **Frank Elementary School**

1816 57th St., Kenosha, WI 53140  
262-359-6324  
[kUSD.edu/frank](http://kUSD.edu/frank)

### **Grant Elementary School**

1716 35th St., Kenosha, WI 53140  
262-359-6346  
[kUSD.edu/grant](http://kUSD.edu/grant)

### **Grewenow Elementary School**

7714 20th Ave., Kenosha, WI 53143  
262-359-6362  
[kUSD.edu/grewenow](http://kUSD.edu/grewenow)

### **Harvey Elementary School**

2012 19th Ave., Kenosha, WI 53140  
262-359-4040  
[kUSD.edu/harvey](http://kUSD.edu/harvey)

### **Jeffery Elementary School**

4011 87th St., Kenosha, WI 53142  
262-359-2100  
[kUSD.edu/jeffery](http://kUSD.edu/jeffery)

### **Nash Elementary School**

6801 99th Ave., Kenosha, WI 53142  
262-359-3500  
[kUSD.edu/nash](http://kUSD.edu/nash)

### **Pleasant Prairie Elementary School**

9208 Wilmot Road, Pleasant Prairie, WI 53158  
262-359-2104  
[kUSD.edu/pleasantprairie](http://kUSD.edu/pleasantprairie)

### **Prairie Lane Elementary School**

10717 47th Ave., Pleasant Prairie, WI 53158  
262-359-3600  
[kUSD.edu/prairielane](http://kUSD.edu/prairielane)

### **Roosevelt Elementary School**

3322 Roosevelt Road, Kenosha, WI 53142  
262-359-6097  
[kUSD.edu/roosevelt](http://kUSD.edu/roosevelt)

### **Somers Elementary School**

1245 72nd Ave., Kenosha, WI 53144  
262-359-3200  
[kUSD.edu/somers](http://kUSD.edu/somers)

### **Southport Elementary School**

723 76th St., Kenosha, WI 53143  
262-359-6309  
[kUSD.edu/southport](http://kUSD.edu/southport)

### **Whittier Elementary School**

8542 Cooper Road, Pleasant Prairie, WI 53158  
262-359-2110  
[kUSD.edu/whittier](http://kUSD.edu/whittier)

## Choice schools

### **LakeView K-8 Academy**

(Grades 4K-8):  
6729 18th Ave., Kenosha, WI 53144  
262-359-7100

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

5533 26th Ave., Kenosha, WI 53140  
262-359-8155  
[kUSD.edu/lakeview](http://kUSD.edu/lakeview)

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

913 57th St., Kenosha, WI 53140  
262-359-6160  
[kUSD.edu/reuther](http://kUSD.edu/reuther)

### **ITHSA Academies**

6800 60th St., Kenosha, WI 53144  
262-359-8700  
[kUSD.edu/indiantrail](http://kUSD.edu/indiantrail)

### **Kenosha School of Language**

6315 67th St., Kenosha, WI 53142  
262-359-2006  
[kUSD.edu/stocker](http://kUSD.edu/stocker)

### **Ruth Harman Academy**

(Grades K-8)  
8518 22nd Ave., Kenosha, WI 53143  
262-359-2191  
[kUSD.edu/rha](http://kUSD.edu/rha)

## Charter schools

### **Harborside Academy**

(Grades 6-12)  
913 57th St., Kenosha, WI 53140  
262-359-8400  
[kUSD.edu/harborside](http://kUSD.edu/harborside)

## Middle schools

### **Bullen Middle School**

2804 39th Ave., Kenosha, WI 53144  
262-359-4460  
[kUSD.edu/bullen](http://kUSD.edu/bullen)

### **Lance Middle School**

4515 80th St., Kenosha, WI 53142  
262-359-2240  
[kUSD.edu/lance](http://kUSD.edu/lance)

### **Mahone Middle School**

6900 60th St., Kenosha, WI 53144  
262-359-8100  
[kUSD.edu/mahone](http://kUSD.edu/mahone)

### **Washington Middle School**

2600 50th St., Kenosha, WI 53140  
262-359-6291  
[kUSD.edu/washington](http://kUSD.edu/washington)

## High schools

### **Bradford High School**

3700 Washington Road, Kenosha, WI 53144  
262-359-6200  
[kUSD.edu/bradford](http://kUSD.edu/bradford)

### **ITHSA High School**

6800 60th St., Kenosha, WI 53144  
262-359-8700  
[kUSD.edu/indiantrail](http://kUSD.edu/indiantrail)

### **Tremper High School**

8560 26th Ave., Kenosha, WI 53143  
262-359-2200  
[kUSD.edu/tremper](http://kUSD.edu/tremper)

## Specialty schools

### **Hillcrest School**

(Bridges Center/T.I.M.E. Program, grades 6-12)  
4520 33rd Avenue., Kenosha, WI 53144  
262-359-6118  
[kUSD.edu/hillcrest](http://kUSD.edu/hillcrest)

## John J. Hosmanek Educational Support Center

3600 52nd St., Kenosha, WI 53144  
262-359-6300 • [info@kUSD.edu](mailto:info@kUSD.edu)  
[kUSD.edu](http://kUSD.edu)

