

PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY 4, 2026

NEW ISSUE
Not Bank Qualified

Moody's Rated "Aa3"
(See "RATING" herein)

In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended, under existing law interest on the Notes is excludable from gross income and is not an item of tax preference for federal income tax purposes; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Notes shall NOT be "qualified tax-exempt obligations". See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Notes. The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

\$12,000,000
SCHOOL DISTRICT OF MARKESAN
Columbia, Dodge, Fond du Lac, Green Lake and Marquette Counties, Wisconsin
General Obligation Promissory Notes

Dated: March 5, 2026

Due: As shown herein

The \$12,000,000 General Obligation Promissory Notes (the "Notes") will be dated March 5, 2026 and will be in the denomination of \$5,000 each or any multiple thereof. The Notes will mature serially on March 1 of the years 2027 through 2037 and on March 1, 2046. Interest shall be payable commencing on March 1, 2027 and semi-annually thereafter on September 1 and March 1 of each year. Associated Trust Company, National Association, Green Bay, Wisconsin will serve as paying agent for the Notes.

The Notes are being issued pursuant to Section 67.12(12) of the Wisconsin Statutes. The Notes will be general obligations of the School District of Markesan, Wisconsin (the "District") for which its full faith and credit and taxing powers are pledged which taxes may, under current law, be levied without limitation as to rate or amount. The proceeds from the sale of the Notes will be used for the public purpose of paying the remaining portion of the cost of a school facility improvement project consisting of: construction of an addition and renovations at the Elementary School, including for classrooms, art, music, special education, the library and offices; renovations at the Middle/High School, including for a secure entrance; district-wide capital maintenance, building infrastructure and site improvements; and acquisition of furnishings, fixtures and equipment. (See "THE FINANCING PLAN" herein.)

The Notes maturing on March 1, 2035 and thereafter are subject to call and prior redemption, at the option of the District, on March 1, 2034 or on any date thereafter, in whole or in part, and if in part, from maturities selected by the District and by lot within each maturity at a price of par plus accrued interest to the date of redemption. All or a portion of the Notes may be issued as one or more term bonds, upon election by the successful bidder. (See "REDEMPTION PROVISIONS" herein.)

The Financial Advisor to the District is: 

The Notes will be issued only as fully registered Notes and will be registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as the securities depository of the Notes. Individual purchases will be made in book-entry form only in denominations of \$5,000 principal amount or any integral multiple thereof. Purchasers of the Notes will not receive certificates representing their interest in the Notes purchased. (See "BOOK-ENTRY-ONLY SYSTEM" herein.)

The District's Notes are offered when, as and if issued subject to the approval of legality by Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel. Quarles & Brady LLP will also act as Disclosure Counsel for the District. The anticipated settlement date for the Notes is on or about March 5, 2026.

SALE DATE: FEBRUARY 11, 2026

SALE TIME: 10:00 A.M. CT

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold, nor may offers to buy be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This Preliminary Official Statement is in a form deemed final as of its date for purposes of SEC Rule 15c2-12(b) (1), except for the omission of certain information described in the rule, but is subject to revision, amendment, and completion in a Final Official Statement.

MATURITY SCHEDULE

\$12,000,000 General Obligation Promissory Notes

Dated: March 5, 2026 Due: March 1, 2027 through 2037 and on March 1, 2046
Callable: March 1, 2034

<u>(March 1)</u>	<u>Amount*</u>	<u>Rate</u>	<u>Yield</u>	CUSIP ⁽¹⁾ Base <u>570554</u>
2027	\$495,000			
2028	820,000			
2029	860,000			
2030	905,000			
2031	950,000			
2032	1,000,000			
2033	1,055,000			
2034	1,105,000			
2035	1,165,000			
2036	1,225,000			
2037	565,000			
2038-2045	--			
2046	1,855,000			

*Preliminary, subject to change.

⁽¹⁾CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright(c) 2026 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for services provided by CGS. CUSIP® numbers are provided for convenience of reference only. None of the District, the Financial Advisor, the Underwriter or their agents or counsel assume responsibility for the accuracy of such numbers.

SCHOOL DISTRICT OF MARKESAN
(Columbia, Dodge, Fond du Lac, Green Lake and Marquette Counties, Wisconsin)

SCHOOL BOARD

Jon Clark, President
Sara Lemke, Vice President
Brad Krueger, Clerk
Ruth Schwandt, Treasurer
David Abendroth, Member
Charles Dolgner, Member
Darrell Fenske, Member
Joan M. Frederick, Member
Patricia Fritz Kelly, Member
Amy Newton, Member
Parkis R. Waterbury, Member

ADMINISTRATION

Jason Breaker, District Administrator/Elementary School Principal
John Koopman, Middle/High School Principal
Tim Zacharias, Financial Supervisor

PROFESSIONAL SERVICES

School District Attorney: Renning, Lewis & Lacy, S.C., Madison, Wisconsin
Financial Advisor: Robert W. Baird & Co. Incorporated, Milwaukee, Wisconsin
Bond Counsel: Quarles & Brady LLP, Milwaukee, Wisconsin
Disclosure Counsel: Quarles & Brady LLP, Milwaukee, Wisconsin
Paying Agent: Associated Trust Company, National Association, Green Bay, Wisconsin

REGARDING USE OF THIS OFFICIAL STATEMENT

This Official Statement is being distributed in connection with the sale of the Notes referred to in this Official Statement and may not be used, in whole or in part, for any other purpose. No dealer, broker, salesman or other person is authorized to make any representations concerning the Notes other than those contained in this Official Statement, and if given or made, such other information or representations may not be relied upon as statements of the School District of Markesan, Wisconsin (the "District"). This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful to make such an offer, solicitation or sale.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended by the District, from time to time (collectively, the "Official Statement"), may be treated as a final Official Statement with respect to the Notes described herein that is deemed final by the District as of the date hereof (or of any such supplement or amendment).

Unless otherwise indicated, the District is the source of the information contained in this Official Statement. Certain information in this Official Statement has been obtained by the District or on its behalf from The Depository Trust Company and other non-District sources that the District believes to be reliable. No representation or warranty is made, however, as to the accuracy or completeness of such information. Nothing contained in this Official Statement is a promise of or representation by Robert W. Baird & Co. Incorporated (the "Financial Advisor"). The Financial Advisor has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed and the Underwriter will review the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor and the Underwriter do not guarantee the accuracy or completeness of such information. The information and opinions expressed in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale made under this Official Statement shall, under any circumstances, create any implication that there has been no change in the financial condition or operations of the District or other information in this Official Statement, since the date of this Official Statement.

This Official Statement contains statements that are "forward-looking statements" as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. When used in this Official Statement, the words "estimate," "intend," "project" or "projection," "expect" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are subject to risks and uncertainties, some of which are discussed herein, that could cause actual results to differ materially from those contemplated in such forward-looking statements. Investors and prospective investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this Official Statement.

This Official Statement should be considered in its entirety. No one factor should be considered more or less important than any other by reason of its position in this Official Statement. Where statutes, ordinances, reports or other documents are referred to in this Official Statement, reference should be made to those documents for more complete information regarding their subject matter.

The Notes will not be registered under the Securities Act of 1933, as amended, or the securities laws of any state of the United States, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state, municipal or other governmental entity shall have passed upon the accuracy or adequacy of this Official Statement.

THE PRICES AND OTHER TERMS RESPECTING THE OFFERING AND SALE OF THE NOTES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER AFTER THE NOTES ARE RELEASED FOR SALE AND THE NOTES MAY BE OFFERED AND SOLD AT PRICES OTHER THAN THE INITIAL OFFERING PRICES, INCLUDING SALES TO DEALERS WHO MAY SELL THE NOTES INTO INVESTMENT ACCOUNTS.

TABLE OF CONTENTS

	<u>Page</u>
MATURITY SCHEDULE	2
SCHOOL BOARD	3
ADMINISTRATION	3
PROFESSIONAL SERVICES	3
REGARDING USE OF THIS OFFICIAL STATEMENT	4
SUMMARY	6
INTRODUCTORY STATEMENT	7
THE FINANCING PLAN	7
REDEMPTION PROVISIONS	7
ESTIMATED SOURCES AND USES	8
CONSTITUTIONAL AND STATUTORY CONSIDERATIONS AND LIMITATIONS CONCERNING THE DISTRICT'S POWER TO INCUR INDEBTEDNESS	8
THE RESOLUTIONS	9
THE DISTRICT	10
GENERAL INFORMATION	13
DEMOGRAPHIC AND ECONOMIC INFORMATION	14
TAX LEVIES, RATES AND COLLECTIONS	16
EQUALIZED VALUATIONS	17
INDEBTEDNESS OF THE DISTRICT	18
FINANCIAL INFORMATION	20
GENERAL FUND SUMMARY	21
UNDERWRITING	22
FINANCIAL ADVISOR	22
RATING	22
REVENUE LIMITS ON WISCONSIN SCHOOL DISTRICTS	22
TAX EXEMPTION	23
NOT QUALIFIED TAX-EXEMPT OBLIGATIONS	24
CONTINUING DISCLOSURE	25
BOOK-ENTRY-ONLY SYSTEM	25
LITIGATION	26
LEGAL MATTERS	27
MUNICIPAL BANKRUPTCY	27
MISCELLANEOUS	27
AUTHORIZATION	28

Appendix A: Basic Financial Statements and Related Notes for the year ended June 30, 2025

Appendix B: Form of Continuing Disclosure Certificate

Appendix C: Form of Legal Opinion

Appendix D: Official Notice of Sale

SUMMARY

District:	School District of Markesan, Columbia, Dodge, Fond du Lac, Green Lake and Marquette Counties, Wisconsin (the "District").
Issue:	\$12,000,000 General Obligation Promissory Notes (the "Notes").
Dated Date:	March 5, 2026.
Interest Due:	Commencing March 1, 2027 and on each September 1 and March 1 thereafter. Interest on the Notes will be computed on the basis of a 30-day month and a 360-day year.
Principal Due:	March 1 of the years 2027 through 2037 and on March 1, 2046.
Redemption Provisions:	<p>The Notes maturing on March 1, 2035 and thereafter shall be subject to call and prior payment, at the option of the District, on March 1, 2034 or on any date thereafter at a price of par plus accrued interest. The amounts and maturities of the Notes to be redeemed shall be selected by the District. If less than the entire principal amount of any maturity is to be redeemed, the Notes of that maturity which are to be redeemed shall be selected by lot. Notice of such call shall be given by sending a notice thereof by registered or certified mail, facsimile or electronic transmission, overnight express delivery, or in any other manner required by DTC not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.</p> <p>All or a portion of the Notes may be issued as one or more term bonds, upon election by the successful bidder. (See "REDEMPTION PROVISIONS" herein.)</p>
Security:	The full faith, credit and resources of the District are pledged to the payment of the principal of and the interest on the Notes as the same become due and, for said purposes, there are levied on all the taxable property in the District, direct, annual irrevocable taxes in each year and in such amounts which will be sufficient to meet such principal and interest payments when due. Under current law, such taxes may be levied without limitation as to rate or amount.
Purpose:	The proceeds from the sale of the Notes will be used for the public purpose of paying the remaining portion of the cost of a school facility improvement project consisting of: construction of an addition and renovations at the Elementary School, including for classrooms, art, music, special education, the library and offices; renovations at the Middle/High School, including for a secure entrance; district-wide capital maintenance, building infrastructure and site improvements; and acquisition of furnishings, fixtures and equipment. (See "THE FINANCING PLAN" herein.)
Tax Status:	Interest on the Notes is excludable from gross income for federal income tax purposes. (See "TAX EXEMPTION" herein.)
Credit Rating:	This issue has been assigned an "Aa3" rating by Moody's Investors Service Inc. (See "RATING" herein.)
No Bank Qualification:	The Notes shall <u>NOT</u> be "qualified tax-exempt obligations".
Bond Years:	101,226.67 years.
Average Life:	8.436 years.
Record Date:	The 15th day of the calendar month next preceding each interest payment date.

Information set forth on this page is qualified by the entire Official Statement. A full review of the entire Official Statement should be made by potential investors.

INTRODUCTORY STATEMENT

This Official Statement presents certain information relating to the School District of Markesan, Wisconsin (the "District" and the "State" respectively) in connection with the sale of the District's \$12,000,000 General Obligation Promissory Notes (the "Notes"). The Notes are issued pursuant to the Constitution and laws of the State and the resolutions (the "Resolutions") adopted by the School Board (the "Board") and other proceedings and determinations related thereto.

All summaries of statutes, documents and the Resolutions contained in this Official Statement are subject to all the provisions of, and are qualified in their entirety by reference to such statutes, documents and the Resolutions, and references herein to the Notes are qualified in their entirety by reference to the form thereof included in the Award Resolution (defined herein). Copies of the Resolutions may be obtained from the Financial Advisor (defined herein) upon request.

THE FINANCING PLAN

As the result of a referendum election on November 5, 2024, the District has been authorized to issue general obligation bonds in an amount not to exceed \$26,000,000 for the public purpose of paying the cost of a school facility improvement project consisting of: construction of an addition and renovations at the Elementary School, including for classrooms, art, music, special education, the library and offices; renovations at the Middle/High School, including for a secure entrance; district-wide capital maintenance, building infrastructure and site improvements; and acquisition of furnishings, fixtures and equipment (the "Project").

Pursuant to Section 67.12(12)(e)2., Wisconsin Statutes, since the purpose and the amount of the borrowing have been approved by the electors, general obligation promissory notes may be issued without any additional approval by the electors.

Pursuant to a resolution adopted by the Board on February 12, 2025, the District awarded the sale of \$14,000,000 General Obligation Promissory Notes, dated March 6, 2025 (the "2025 Notes"), to provide financing for a portion of the Project. The 2025 Notes maturing on and after March 1, 2037 are callable at par on March 1, 2033 or any date thereafter.

The proceeds from the sale of the Notes will be used to provide financing for the remaining portion of the cost of the Project.

REDEMPTION PROVISIONS

Optional Redemption

The Notes maturing on March 1, 2035 and thereafter are subject to call and prior redemption, at the option of the District, on March 1, 2034 or on any date thereafter, in whole or in part, and if in part, from maturities selected by the District and by lot within each maturity at a price of par plus accrued interest to the date of redemption.

Mandatory Redemption

All or a portion of the Notes may be issued as one or more term bonds, upon election by the successful bidder as provided in the Official Notice of Sale.

Such term bonds shall be subject to mandatory sinking fund redemption. Such term bonds shall have a stated maturity or maturities of March 1, in such years as determined by the successful bidder. The term bonds shall be subject to mandatory sinking fund redemption and final payment(s) at maturity of 100% of the principal amount thereof, plus accrued interest to the redemption date or dates and in amounts consistent with the maturity schedule on the inside cover of this Official Statement.

ESTIMATED SOURCES AND USES*

Sources of Funds

Par Amount of Notes	\$12,000,000.00
Reoffering Premium	862,702.00
Total Sources of Funds:	<u>\$12,862,702.00</u>

Uses of Funds

Deposit to Project Construction Fund	\$12,000,000.00
Bid Premium for Deposit to Debt Service Fund	548,377.00
Costs of Issuance (Including Underwriter's Discount)	314,325.00
Total Uses of Funds:	<u>\$12,862,702.00</u>

**Preliminary, subject to change.*

CONSTITUTIONAL AND STATUTORY CONSIDERATIONS AND LIMITATIONS CONCERNING THE DISTRICT'S POWER TO INCUR INDEBTEDNESS

The Constitution and the laws of the State limit the power of the District (and other municipalities of the State) to issue obligations and to contract indebtedness. Such constitutional and legislative limitations include the following, in summary form and as generally applicable to the District.

Purpose

The District may not borrow money or issue notes or bonds therefor for any purpose except those specified by statute, which include among others the purposes for which the Notes are being issued.

General Obligation Bonds

The principal amount of every sum borrowed by the District and secured by an issue of bonds may be payable at one time in a single payment or at several times in two or more installments; however, no installment may be made payable later than the termination of twenty years immediately following the date of said bonds. The Board is required to levy a direct, annual, irrevocable tax sufficient in amount to pay the interest on such bonds as it falls due and also to pay and discharge the principal thereof at maturity. Bonds issued by the District to refinance or refund outstanding notes or bonds issued by the District may be payable no later than twenty years following the original date of such notes or bonds.

Refunding Bonds

In addition to being authorized to issue bonds, the District is authorized to borrow money using refunding bonds for refunding existing debt. To evidence such indebtedness, the District must issue to the lender its refunding bonds (with interest) payable within a period not exceeding twenty years following the initial date of the debt to be refunded. Such refunding bonds constitute a general obligation of the District. Refunding bonds are not subject to referendum.

Promissory Notes

The District is also authorized to borrow money using promissory notes for any public purpose. To evidence such indebtedness, the District must issue to the lender its promissory notes (with interest) payable within a period not exceeding 20 years following the date of said notes. Such notes constitute a general obligation of the District. Notes issued by the District to refinance or refund outstanding promissory notes issued by the District must be payable within 10 years and no later than 20 years following the original date of such notes.

Bond or Note Anticipation Notes

In anticipation of issuing general obligation bonds or notes, the District is authorized to borrow money using bond or note anticipation notes. The bond or note anticipation notes shall in no event be a general obligation of the District, and do not constitute an indebtedness of the District, nor a charge against its general credit or taxing power. The bond or note anticipation notes are payable only from (a) proceeds of the bond or note anticipation notes set aside for

payment of interest on the bond or note anticipation notes as they become due, and (b) proceeds to be derived from the issuance and sale of general obligation bonds or promissory notes which proceeds constitute a special trust fund to be held and expended solely for the payment of the principal of and interest on the bond or note anticipation notes. The maximum term of any bond or note anticipation notes (including any refunding) is five years.

Temporary Borrowing

The Board may, on its own motion, borrow money in such sums as may be needed to meet the immediate expenses of maintaining the schools in the District during the then current school year. No such loan or loans shall be made to extend beyond November 1 of the following year nor in any amount exceeding one-half of the estimated receipts for the operation and maintenance of the District for the current school year in which the loan is made.

Debt Limit

The District has the power to contract indebtedness for purposes specified by statute so long as the principal amount thereof does not exceed ten percent of the equalized value of taxable property within the District. For information with respect to the District's percent of legal debt incurred, see the caption "INDEBTEDNESS OF THE DISTRICT - Debt Limit," herein.

THE RESOLUTIONS

The following are summaries of certain provisions of the Resolutions adopted by the Board pursuant to the procedures prescribed by Wisconsin Statutes. Reference is made to the Resolutions for a complete recital of their terms.

The Initial Resolution; Referendum Election; Project Financing to Date

By way of a resolution adopted on July 22, 2024 (the "Initial Resolution"), the Board authorized the issuance of general obligation bonds in an amount not to exceed \$26,000,000 for the public purpose of paying the cost of the Project.

By way of a resolution also adopted on July 22, 2024, the Board provided for a referendum election to be held on November 5, 2024. The District gave notice to the electors relating to the bond referendum at which time the electors would vote to approve or reject the Initial Resolution.

On November 5, 2024, a referendum was held in the District on the proposition of whether the Initial Resolution should be approved at which 1,758 votes were cast "Yes" for approval of the Initial Resolution and 1,450 votes were cast "No" for rejection of the Initial Resolution.

By way of a resolution adopted on February 12, 2025, the Board awarded the sale of the 2025 Notes to provide financing for a portion of the Project.

The Award Resolution

By way of a resolution to be adopted on February 11, 2026 (the "Award Resolution"), the Board will accept the bid (or reject all bids) of the Underwriter (defined herein) for the purchase of the Notes, in accordance with bid specifications, provide the details and form of the Notes, and set out certain covenants with respect thereto. The Award Resolution pledges the full faith, credit and resources of the District to payments of the principal of and interest on the Notes. Pursuant to the Award Resolution, the amount of direct, annual, irrevocable taxes levied for collection in the years 2027 through 2046 which will be sufficient to meet the principal and interest payments on the Notes when due will be specified (or monies to pay such debt service will otherwise be appropriated). The Award Resolution establishes separate and distinct from all other funds of the District a debt service fund with respect to payment of principal of and interest on the Notes.

THE DISTRICT

The administration of the District is exercised by a Board. The Board consists of 11 members who are elected at large for staggered three-year terms of office. The Board elects a President, Vice President, Clerk and Treasurer from among its members for one-year terms. The Board is empowered to employ a District Administrator to conduct the affairs and programs of the District.

Common school districts hold an annual meeting, which will incorporate a public hearing, prior to adopting the budget for the ensuing year. The Board shall present at the annual meeting a full, itemized written report. The report shall state all receipts and expenditures of the District since the last annual meeting, the current cash balance of the District, the amount of the deficit and the bills payable of the District, the amount necessary to be raised by taxation for the support of the schools of the District for the ensuing year and the amount required to pay the principal and interest of any debt due during the ensuing year. The report shall also include the budget summary. The Board has the power and duty, among other things, to make rules for the organization, gradation, and government of the schools of the District, enter into agreements with other governmental units, tax for operation and maintenance, engage employees, including a District Administrator, and purchase school equipment.

The Board

Name	Expiration of Term
Jon Clark, President	April, 2026
Sara Lemke, Vice President	April, 2028
Brad Krueger, Clerk	April, 2027
Ruth Schwandt, Treasurer	April, 2026
David Abendroth, Member	April, 2026
Charles Dolgner, Member	April, 2026
Darrell Fenske, Member	April, 2027
Joan M. Frederick, Member	April, 2028
Patricia Fritz Kelly, Member	April, 2028
Amy Newton, Member	April, 2028
Parkis R. Waterbury, Member	April, 2026

Source: *The District.*

Administration

Name	Title	Years of Service
Jason Breaker	District Administrator/Elementary School Principal	13
John Koopman	Middle/High School Principal	11
Tim Zacharias	Financial Supervisor	38

Source: *The District.*

District Facilities

Facility	Year of Construction	Years of Additions
Markesan High School/Middle School	1959	1964, 1973, 1999
Markesan Elementary	1937*	1950, 1973, 1989, 1990

*The sections of the building built in 1906 and 1952 no longer exist.

Source: *The District.*

School Enrollments

<u>Year</u>	<u>Pre-K through 12th Grade Total*</u>
2021-22	837
2022-23	792
2023-24	773
2024-25	746
2025-26	732
2026-27**	712
2027-28**	692
2028-29**	668
2029-30**	642
2030-31**	626

*Headcount.

**Projected enrollments are based on expected incoming 5K students and outgoing 12th grade students.

Source: The District.

Employment Relations

<u>Department</u>	<u>Number of Employees*</u>
Teachers	63
Administration	5
Instructional Aides	24
Secretaries	6
Custodians	6
Food Service	8
Technology	2
Nurse	1
Curriculum	2
TOTAL	<u>117</u>

*Headcount.

Source: The District.

Labor Contract

Employee groups of the District are represented by the following bargaining unit:

<u>Organization</u>	<u>Employee Group Represented</u>	<u>Contract Expiration</u>
Markesan District Education Association	Teachers	June 30, 2026

*Contract may cover base wages only.

The District considers its relationship with the union to be excellent.

All eligible District personnel are covered by the Municipal Employment Relations Act ("MERA") of the Wisconsin Statutes. Pursuant to that law, employees have rights to organize and, after significant changes were made to the law in 2011, very limited rights to collectively bargain with municipal employers. MERA was amended by 2011 Wisconsin Act 10 (the "Act") and by 2011 Wisconsin Act 32.

As a result of the 2011 amendments to MERA, the District is prohibited from bargaining collectively with municipal employees with respect to any factor or condition of employment except total base wages. Even then, the District is limited to increasing total base wages beyond any increase in the consumer price index since 180 days before the expiration of the previous collective bargaining agreement (unless the District were to seek approval for a higher

increase through a referendum). Ultimately, the District can unilaterally implement the wages for a collective bargaining unit⁽¹⁾.

Under the changes to MERA, impasse resolution procedures were removed from the law for municipal employees of the type employed by the District, including binding interest arbitration. Strikes by any municipal employee or labor organization are expressly prohibited. Furthermore, if strikes do occur, they may be enjoined by the courts. Additionally, because the only legal subject of bargaining is total base wages, all bargaining over items such as just cause, benefits, and terms of conditions of employment are prohibited and cannot be included in a collective bargaining agreement.

Due to the changes described above, the Board is free to unilaterally determine and promulgate policies, benefits and other terms and conditions of employment. Accordingly, the Board approved Employee Handbooks which set forth policies, procedures and benefits for employees of the nature that were previously set forth in labor contracts. The Employee Handbooks' terms are subject to change at the sole discretion of the District and are not subject to grievance or arbitration by the union. However, individual employees are allowed to file a grievance if they are disciplined or terminated. However, under the changes to MERA, the Board, rather than an arbitrator, is the final decision-maker regarding any grievance, though the grievance must be heard by an impartial hearing officer before reaching the Board.

⁽¹⁾On July 3, 2024, a Wisconsin circuit court judge issued a decision in the case Abbotsford Education Association vs. Wisconsin Employment Relations Commission, Case No. 2023CV3152, denying the Wisconsin State Legislature's intervening motion to dismiss the plaintiffs' challenge to the different classifications the Act created regarding collective bargaining rights. The court's order denying the motion to dismiss stated that the Act violates the equal protection clause of the Wisconsin Constitution and declared those provisions of the Act relating to collective bargaining modifications unconstitutional and void. The decision further instructed the parties to make additional filings to the court as to whether the court should issue judgment on the pleadings in light of the court's order or take some other action to bring the case to a final judgment. On December 2, 2024, the court issued an order granting the plaintiffs' motion for judgment on the pleadings and striking down substantial portions of the Act. The court's decision has been appealed to the Wisconsin Court of Appeals. On January 23, 2025, the court granted a motion to stay the decision pending outcome of the appeal. No guarantee can be made regarding the outcome of the matter.

Pension Plan

All eligible employees in the District are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes. 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 ("Chapter 40"). The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

District employees are required to contribute half of the actuarially determined contributions, and the District may not pay the employees' required contribution. During the fiscal years ended June 30, 2023, June 30, 2024 and June 30, 2025 ("Fiscal Year 2025") the District's portion of contributions to WRS (not including any employee contributions) totaled \$358,813, \$392,124 and \$401,137, respectively.

Governmental Accounting Standards Board Statement No. 68 ("GASB 68") requires calculation of a net pension liability for the pension plan. The net pension liability is calculated as the difference between the pension plan's total pension liability and the pension plan's fiduciary net position. The pension plan's total pension liability is the present value of the amounts needed to pay pension benefits earned by each participant in the pension plan based on the service provided as of the date of the actuarial valuation. In other words, it is a measure of the present value of benefits owed as of a particular date based on what has been earned only up to that date, without taking into account any benefits earned after that date. The pension plan's fiduciary net position is the market value of plan assets formally set aside in a trust and restricted to paying pension plan benefits. If the pension plan's total pension liability exceeds the pension plan's fiduciary net position, then a net pension liability results. If the pension plan's fiduciary net position exceeds the pension plan's total pension liability, then a net pension asset results.

As of December 31, 2024, the total pension liability of the WRS was calculated as \$136.18 billion and the fiduciary net position of the WRS was calculated as \$134.54 billion, resulting in a net pension liability of \$1.64 billion.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2025, the District reported a liability of \$463,632 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2024 based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. The District's proportion was 0.02821584% of the aggregate WRS net pension liability as of December 31, 2024.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of the net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees.

For more detailed information regarding the WRS and such actuarial assumptions, see Note 7 in "Appendix A - Basic Financial Statements and Related Notes for the year ended June 30, 2025" attached hereto.

Other Post-Employment Benefits

The District provides "other post-employment benefits" ("OPEB") (i.e., post-employment benefits, other than pension benefits, owed to its employees and former employees) to employees who have terminated their employment with the District and have satisfied specified eligibility standards through a single-employer defined benefit plan. Eligible retirees may remain on the District's group health plan but are responsible for payment of the full premiums. Membership of the plan consisted of 7 retirees receiving benefits and 99 active eligible plan members as of June 30, 2023, the date of the latest actuarial valuation.

OPEB calculations are required to be updated every two years and be prepared in accordance with Statements No. 74 and No. 75 of the Governmental Accounting Standards Board. An actuarial study for the plan was most recently completed by Foster & Foster Consulting Actuaries, Inc. (the "Actuary") in December 2024 with an actuarial valuation date of June 30, 2023. The Actuary completed a table updates report in April 2025 with a measurement date of June 30, 2024. The District expects to have a new study prepared in 2026.

For Fiscal Year 2025, contributions to the plan totaled \$59,604. The District's current funding practice is to make annual contributions to the plan in the amounts at least equal to the benefits paid to retirees in a particular year on a "pay-as-you-go" basis.

Under GASB 74/75, a net OPEB liability (or asset) is calculated as the difference between the plan's total OPEB liability and the plan's fiduciary net position, which terms have similar meanings as under GASB 68 for pension plans.

For Fiscal Year 2025 (measured as of June 30, 2024), the plan's total OPEB liability was \$219,792 and the plan fiduciary net position was \$0, resulting in a net OPEB liability of \$219,792.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. For more detailed information regarding such actuarial assumptions, see Note 6 in "Appendix A - Basic Financial Statements and Related Notes for the year ended June 30, 2025" attached hereto.

GENERAL INFORMATION

Location

The District, encompassing 193 square miles, is located mostly in Green Lake County, with minor portions in Columbia, Dodge, Fond du Lac and Marquette Counties. The District serves the entire City of Markesan, Villages of Kingston and Marquette and Town of Mackford, as well as portions of the Village of Fairwater and Towns of Alto, Buffalo, Fox Lake, Green Lake, Kingston, Manchester, Marcellon, Marquette, Metomen, Montello, Princeton and Scott. The District is approximately 91 miles northwest of the City of Milwaukee and 57 miles northeast of the City of Madison and 17 miles southwest of the City of Ripon.

Education

The District offers a comprehensive educational program for students in pre-kindergarten through the twelfth grade. The District facilities consist of one combined middle/high school and one elementary school building. Enrollment for the 2025-26 school year is 732 students. The District has a 2024 estimated population of 6,599* and employs 117 people.

*Source: U.S. Census Bureau.

Post Secondary Education

Higher education can be obtained at numerous colleges and universities within a 60-mile radius. Moraine Park Technical College District has a location in Fond du Lac offering two-year degrees. Other colleges located near the District include Marian University of Wisconsin, Ripon College, University of Wisconsin – Oshkosh, University of Wisconsin – Madison and Edgewood University all offering four-year degrees.

DEMOGRAPHIC AND ECONOMIC INFORMATION

Population

	<u>The District</u>	<u>Green Lake County</u>	<u>City of Markesan</u>	<u>Town of Green Lake</u>
Estimate, 2025	(1)	19,070	1,350	1,188
Estimate, 2024	6,599	18,994	1,350	1,185
Estimate, 2023	6,595	18,990	1,352	1,177
Estimate, 2022	6,557	19,091	1,365	1,181
Census, 2020	6,497	19,018	1,377	1,169

(1)Data not yet available.

Source: U.S. Census Bureau and Wisconsin Department of Administration, Demographic Services Center.

Adjusted Gross Income Per Tax Return

	<u>State of Wisconsin</u>	<u>Green Lake County</u>	<u>City of Markesan</u>	<u>Town of Green Lake</u>
2024	\$76,638	\$64,687	\$61,224	\$84,848
2023	73,001	61,094	61,912	79,193
2022	70,548	57,201	52,270	78,179
2021	66,369	53,165	50,269	64,104
2020	61,518	50,519	48,701	58,495

Source: Wisconsin Department of Revenue, Division of Research and Policy.

Unemployment Rate

	<u>State of Wisconsin</u>	<u>Green Lake County</u>
December, 2025 ⁽¹⁾	3.0%	3.3%
December, 2024	2.9	3.1
Average, 2024 ⁽¹⁾	3.0%	3.2%
Average, 2023	2.8	3.2
Average, 2022	2.8	3.3
Average, 2021	3.8	4.5
Average, 2020	6.4	7.2

(1)Preliminary.

Source: Wisconsin Department of Workforce Development.

Residential Building Permit Valuations

Year	City of Markesan	
	Number	Valuation
2025 ⁽¹⁾⁽²⁾	2	\$435,665
2024	1	295,000
2023	1	140,665
2022	0	0
2021	0	0

⁽¹⁾As of October 2025.

⁽²⁾Estimate with imputation.

Source: U.S. Census Bureau.

Largest Employers

Because of the District's proximity to the City of Ripon, many District residents commute for employment. The largest employers in Ripon include Alliance Laundry Systems LLC, a manufacturer of commercial laundry equipment, with 1,700 employees, Condon Oil Co., a fuel distributor, with 400 employees, and Walsworth Publishing Co., Inc., a commercial printer, with 200 employees.

The largest employers in the District are listed below.

Employer	Type of Business	Number of Employees
Sigma Engineered Solutions	Casting foundry	120
The District	Education	117
Markesan Resident Home	Assisted living; skilled nursing and memory care	100
Piggly Wiggly	Grocery store	49
Reilly's Pub LLC	Bar and restaurant	33
Wayside Repair & Auto Inc.	Auto repair shop	26
A.F. Gelhar Co., Inc.	Sand foundry	25
Barrett House Inc	Assisted living	25
Wegner Automotive, Inc.	Engine machine shop	21
Barricade Flasher Services, Inc.	Barricade manufacturer	20

Source: Data Axle (www.dataaxlegenie.com), IndustrySelect (www.industryselect.com) and the District.

Largest Taxpayers

Name	Type of Property	2025 Assessed Valuation	2025 Equalized Valuation
M E U Holdings LLC ⁽¹⁾	Residential	\$8,991,800	\$8,661,300
Individuals ⁽¹⁾	Residential	6,964,200	6,708,400
Deutsches Schloss LLC ⁽¹⁾	Residential	6,651,300	6,407,000
Badger Mining Corporation ⁽¹⁾⁽²⁾	Mining	4,481,600	4,459,800
Individual ⁽¹⁾	Residential	4,095,600	3,945,100
Individuals ⁽¹⁾	Residential	3,788,500	3,649,300
Individual ⁽¹⁾	Residential	3,774,300	3,635,600
Individual ⁽¹⁾	Residential	3,750,200	3,612,500
Individuals ⁽¹⁾	Residential	3,713,400	3,577,000
Individuals ⁽¹⁾	Residential	3,404,800	3,279,700
	TOTAL	<u>\$49,615,700</u>	<u>\$47,935,700</u>

The above taxpayers represent 4.07% of the District's 2025 Equalized Value (TID IN) (\$1,177,505,615).

⁽¹⁾Town of Green Lake.

⁽²⁾Town of Mackford.

Source: Green Lake County.

TAX LEVIES, RATES AND COLLECTIONS

Special assessments, special charges and special taxes must be paid to the town, city or village treasurer in full by January 31. Real property taxes may be paid in full by January 31 or in two equal installments payable by January 31 and July 31. Municipalities also have the option of adopting payment plans which allow taxpayers to pay their real property taxes and special assessments in three or more installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the town, city or village treasurer. Amounts paid after January 31 are paid to the county treasurer unless the municipality has authorized payment in three or more installments in which case payment is made to the town, city or village treasurer. Any amounts paid after July 31 are paid to the county treasurer. For municipalities which have not adopted an installment payment plan, the town, city or village treasurer settles with other taxing jurisdictions for collections through the preceding month on January 15 and February 20. For municipalities which have adopted an installment payment plan, the town, city or village treasurer settles with other taxing jurisdictions for collections through the preceding month on January 15, February 20 and the 15th day of each month following a month in which an installment payment is due. On or before August 20, the county treasurer must settle in full with the underlying taxing districts for all real property taxes and special taxes. The County Board may authorize its County Treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may then recover any tax delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. The personal property tax was repealed, starting with the property tax assessments as of January 1, 2024. Beginning in 2025, the personal property tax was replaced with a payment from the State intended to replace the amount of property taxes imposed on personal property for the property tax assessments as of January 1, 2023. Since, in practice, all delinquent real estate taxes are withheld from the county's share of taxes, the District receives 100 percent of the real estate taxes it levies.

Set forth below are the taxes levied and the tax rate per \$1,000 equalized value on all taxable property within the District.

Levy Year	Collection Year	District Tax Rate	District Levy	Uncollected Taxes As of August 20 th of Each Year	Percent of Levy Collected
2025	2026	\$7.64	\$8,936,022	<i>-In process of collection-</i>	
2024	2025	5.84	6,255,787	-0-	100.00%
2023	2024	5.97	5,696,306	-0-	100.00
2022	2023	5.90	4,826,462	-0-	100.00
2021	2022	7.22	5,110,688	-0-	100.00

Source: Wisconsin Department of Public Instruction.

(Remainder of page left intentionally blank.)

**2025-26 Proportionate Amounts of Local Tax Revenue
Per Municipality Based on 2025 Equalized Valuation**

<u>Municipality</u>	<u>2025 Equalized Valuation (TID OUT)</u>	<u>Percent of Levy</u>	<u>Amount of Levy</u>
Town of Marcellon ⁽¹⁾	\$328,277	0.028056%	\$2,507
Town of Scott ⁽¹⁾	10,187,744	0.870700	77,806
Town of Fox Lake ⁽²⁾	2,659,326	0.227280	20,310
Town of Alto ⁽³⁾	5,204,710	0.444823	39,749
Town of Metomen ⁽³⁾	3,786,924	0.323651	28,922
Village of Fairwater ⁽³⁾	25,034,418	2.139577	191,193
City of Markesan ⁽⁴⁾	112,729,800	9.634499	860,941
Town of Green Lake ⁽⁴⁾	517,668,007	44.242708	3,953,538
Town of Kingston ⁽⁴⁾	109,273,380	9.339094	834,544
Town of Mackford ⁽⁴⁾	94,016,500	8.035159	718,024
Town of Manchester ⁽⁴⁾	107,950,771	9.226057	824,442
Town of Marquette ⁽⁴⁾	118,914,443	10.163072	908,174
Town of Princeton ⁽⁴⁾	390,414	0.033367	2,982
Village of Kingston ⁽⁴⁾	29,483,000	2.519777	225,168
Village of Marquette ⁽⁴⁾	28,574,200	2.442106	218,227
Town of Buffalo ⁽⁵⁾	560,639	0.047915	4,282
Town of Montello ⁽⁵⁾	3,301,462	0.282161	25,214
TOTAL	\$1,170,064,015	100.000000%	\$8,936,022

⁽¹⁾Columbia County.

⁽²⁾Dodge County.

⁽³⁾Fond du Lac County.

⁽⁴⁾Green Lake County.

⁽⁵⁾Marquette County.

Source: Wisconsin Department of Revenue.

EQUALIZED VALUATIONS

The State of Wisconsin, Department of Revenue, Supervisor of Assessments Office determines all equalized valuations of property in the State of Wisconsin. Equalized valuations are the State's estimate of full market value. The State determines assessed valuations of all manufacturing property in the State. Residential and commercial properties located within the District are assessed annually by the local assessors.

Set forth in the table below are equalized valuations of property located within the District for the years 2021 through 2025. The District's equalized valuation (TID IN) has increased by 64.35 percent since 2021 with an average annual increase of 13.22 percent.

<u>Year</u>	<u>Equalized Valuation (TID IN)</u>	<u>Equalized Valuation (TID OUT)</u>
2025	\$1,177,505,615	\$1,170,064,015
2024	1,085,119,967	1,070,864,167
2023	966,306,130	953,703,030
2022	828,218,435	817,981,335
2021	716,477,830	707,769,230

Source: Wisconsin Department of Revenue.

Tax Increment Districts

The Village of Fairwater has created a Tax Increment District ("TID") under Wisconsin Statutes 66.1105. TID valuations totaling \$7,441,600 have been excluded from the District's tax base for 2025.

<u>Municipality</u>	<u>TID #</u>	<u>Base Year</u>	<u>Base Value</u>	<u>2025 Value</u>	<u>Increment</u>
Village of Fairwater ⁽¹⁾	1	1997	\$663,000	\$8,104,600	\$7,441,600
				TOTAL	\$7,441,600

⁽¹⁾Fond du Lac County.

Source: Wisconsin Department of Revenue.

INDEBTEDNESS OF THE DISTRICT

Direct Indebtedness

The District does not currently have any outstanding long-term general obligation debt, other than the Notes to be issued. Set forth below are the principal and interest payments on the Notes. Interest on the Notes has been estimated using an average rate of 4.91 percent. The bond years are 101,226.67 years and the average life is 8.436 years.

<u>Year</u>	<u>Outstanding Bonds and Notes</u>		<u>The Notes*</u>		<u>Total Debt Service</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal*</u>	<u>Interest*</u>	<u>Requirements*</u>
2026	\$ 1,000,000	\$1,324,929			\$2,324,929
2027	--	526,588	\$495,000	\$874,054	1,895,641
2028	--	526,588	820,000	550,113	1,896,700
2029	--	526,588	860,000	508,113	1,894,700
2030	--	526,588	905,000	463,988	1,895,575
2031	--	526,588	950,000	417,613	1,894,200
2032	--	526,588	1,000,000	368,863	1,895,450
2033	--	526,588	1,055,000	317,488	1,899,075
2034	--	526,588	1,105,000	263,488	1,895,075
2035	--	526,588	1,165,000	206,738	1,898,325
2036	--	526,588	1,225,000	146,988	1,898,575
2037	715,000	512,288	565,000	102,238	1,894,525
2038	1,290,000	472,188	--	88,113	1,850,300
2039	1,360,000	419,188	--	88,113	1,867,300
2040	1,435,000	363,288	--	88,113	1,886,400
2041	1,505,000	304,488	--	88,113	1,897,600
2042	1,570,000	242,988	--	88,113	1,901,100
2043	1,635,000	178,888	--	88,113	1,902,000
2044	1,710,000	110,919	--	88,113	1,909,031
2045	1,780,000	37,825	--	88,113	1,905,938
2046	0	0	1,855,000	44,056	1,899,056
	\$14,000,000	\$9,232,860	\$12,000,000	\$4,968,635	\$40,201,495
Less: 2026 Payments	(1,000,000)	(1,324,929)	0	0	(2,324,929)
Total	\$13,000,000	\$7,907,931	\$12,000,000	\$4,968,635	\$37,876,566

*Preliminary, subject to change.

Other Financing

The District has not borrowed for short-term cash flow purposes for the past five years, and the District currently does not anticipate borrowing for short-term cash flow purposes for the remainder of this fiscal year or next fiscal year.

Future Financing

The District currently has no plans to issue any additional general obligation debt in the next 12 months.

Default Record

The District has no record of default on any prior debt repayment obligations.

Overlapping and Underlying Indebtedness

Set forth below is information relating to the outstanding overlapping and underlying indebtedness of the District.

<u>Name of Entity</u>	<u>Amount of Debt (Net of 2026 Principal Payments)</u>	<u>Percent Chargeable to District</u>	<u>Outstanding Debt Chargeable to District</u>
Moraine Park Technical College District	\$70,345,000	2.43%	\$1,709,384
Total Counties*	137,682,000	varies	9,666,435
City of Markesan	755,000	100.00	755,000
Total Towns	1,217,566	varies	563,988
Total Villages	254,439	varies	254,439
Total Sanitary Districts	6,634,942	varies	2,381,269
TOTAL	\$216,888,947		\$15,330,515

*Does not include contingent general obligation debt totaling \$30 million for Fond du Lac County and \$10 million for Green Lake County.

NOTE: This summary may not reflect all of the District's outstanding overlapping and underlying indebtedness.

Source: Wisconsin Department of Revenue. Information provided by each municipal entity through publicly available disclosure documents available on EMMA.msrb.org, the Wisconsin Department of Revenue 2024 Municipal Debt Margins report and direct inquiries.

Statistical Summary

The table below reflects direct, overlapping and underlying bonded indebtedness net of all 2026 principal payments.

2025 Equalized Valuation as certified by Wisconsin Department of Revenue	\$1,177,505,615
Direct Bonded Indebtedness Including the Notes	\$25,000,000
Direct, Overlapping and Underlying Bonded Indebtedness Including the Notes	\$40,330,515
Direct Bonded Indebtedness as a Percentage of Equalized Valuation	2.12%
Direct, Overlapping and Underlying Bonded Indebtedness as a Percentage of Equalized Valuation	3.43%
Population of District (2024 Estimate)*	6,599
Direct Bonded Indebtedness Per Capita	\$3,788.45
Direct, Overlapping and Underlying Bonded Indebtedness Per Capita	\$6,111.61

*U.S. Census Bureau.

Debt Limit

As described under the caption "CONSTITUTIONAL AND STATUTORY CONSIDERATIONS AND LIMITATIONS CONCERNING THE DISTRICT'S POWER TO INCUR INDEBTEDNESS--Debt Limit," the total indebtedness of the District may not exceed ten percent of the equalized value of property in the District. The table below reflects direct bonded indebtedness as of the date of the closing of the Notes and is a comparison of the outstanding indebtedness of the District as a percentage of the applicable debt limit.

Equalized Valuation (2025) as certified by Wisconsin Department of Revenue	\$1,177,505,615
Legal Debt Percentage Allowed	<u>10.00%</u>
Legal Debt Limit	\$117,750,562
Direct Bonded Indebtedness Outstanding Including the Notes	<u>\$25,000,000</u>
Unused Margin of Indebtedness	\$92,750,562
Percent of Legal Debt Incurred	21.23%
Percentage of Legal Debt Available	78.77%

FINANCIAL INFORMATION

The financial operations of the District are conducted primarily through a series of state mandated funds. All revenues except those attributable to the building funds and other funds authorized by State law are accounted for in the general fund, and any lawful expenditure of the District must be made from the appropriate fund and recorded therein.

As in other areas of the United States, the financing of public education in the State is subject to changing legislation, variations in public opinion, examination of financing methods through litigation and other matters. For these reasons the District cannot anticipate with certainty all of the factors which may influence the financing of its future activities.

Budgeting Process

The District is required by State law to annually formulate a budget and to hold an annual meeting thereon prior to the determination of the amounts to be financed in whole or in part by general property taxes, funds on hand or estimated revenues from other sources. Such budget must list existing indebtedness of the District and all anticipated revenue from all sources during the ensuing year and must also list all proposed appropriations for each department, activity and reserve account of the District during the ensuing year.

As part of the budgeting process, budget requests are submitted during the last half of the fiscal year by the teachers and departmental administrators of each school to their respective principals, who thereafter review and revise such requests and submit them, with their recommendations, to the District Administrator of the District. After review and adjustment by the administrative staff of the District, the proposed budget is presented to the full Board, at which time the proposed budget is reviewed with the District's administrative staff. After further review and adjustment, the proposed budget is again submitted to the full Board each year. The proposed budget is formally adopted by the Board after the annual meeting is held and finalized in October.

**GENERAL FUND SUMMARY
FOR YEARS ENDED JUNE 30**

	2026 BUDGET ⁽¹⁾	2025 ACTUAL ⁽¹⁾	2024 ACTUAL ⁽¹⁾	2023 ACTUAL ⁽¹⁾	2022 ACTUAL ⁽¹⁾
Revenues					
Local Sources	\$6,883,752	\$6,391,358	\$5,906,343	\$4,948,927	\$4,909,790
Interdistrict Sources	489,248	429,286	428,384	433,192	408,598
Intermediate Sources	58,284	67,056	67,722	62,564	58,637
State Sources	4,587,663	5,075,586	5,476,350	5,723,404	5,406,537
Federal Sources	820,980	1,148,384	1,983,588	1,438,971	1,712,343
Other Sources	22,000	5,130	24,152	53,571	32,050
Total revenues	12,861,927	13,116,800	13,886,539	12,660,629	12,527,955
Expenditures					
Instruction	7,271,762	6,204,317	6,922,177	6,157,985	5,946,930
Support Service	5,092,703	4,884,206	5,672,879	5,013,923	5,832,813
Non-Program	802,746	1,396,760	996,171	933,412	874,024
Total Expenditures	13,167,211	12,485,283	13,591,227	12,105,320	12,653,767
Excess of revenues over (under) expenditures	(305,284)	631,517	295,312	555,309	(125,812)
Other financing sources (uses)					
Operating transfers out	0	(280,000)	(540,313)	(75,000)	0
Finance purchase proceeds	0	99,397	0	0	458,025
Net other financing sources (uses)	0	(180,603)	(540,313)	(75,000)	458,025
Excess of revenue and other sources Over (under) expenditures and other uses	(305,284) ⁽³⁾	450,914	(245,001) ⁽²⁾	480,309	332,213
Fund balances - beginning of year	7,103,863	6,652,949	6,897,950	6,417,641	6,085,428
Fund balances - end of year	<u>\$6,798,579</u>	<u>\$7,103,863</u>	<u>\$6,652,949</u>	<u>\$6,897,950</u>	<u>\$6,417,641</u>

⁽¹⁾The figures reflect the District's adoption of Statement No. 54 of the Governmental Accounting Standards Board, which includes what was previously separately identified as the special education fund within the general fund.

⁽²⁾Planned spend down of fund balance for capital projects and redemption of then-outstanding debt.

⁽³⁾The District budgeted use of fund balance for the current fiscal year to exceed the revenue limit during their four-year non-recurring referendum. Based on results to-date, the District expects the actual use of fund balance will be less than budgeted for during the current fiscal year. The District's fund balance policy provides that the fund balance shall be maintained at a level sufficient to minimize or avoid short-term borrowing for cash flow purposes, cover unforeseen expenditure needs or unrealized revenue sources, and demonstrate financial stability, which policy the District continues to meet.

The amounts shown for the fiscal years ended June 30, 2022 through June 30, 2025 are excerpts from audit reports which have been prepared by Johnson Block & Company, Inc., Certified Public Accountants, Mineral Point, Wisconsin (the "Auditor"). The amounts shown for the fiscal year ending June 30, 2026 are shown on a budgetary basis, and such amounts have been provided by the District. The comparative statement of revenues and expenditures should be read in conjunction with the other financial statements and notes thereto appearing in Appendix A to this Official Statement.

Financial Statements

A copy of the District's Basic Financial Statements and Related Notes for the fiscal year ended June 30, 2025 including the accompanying independent auditor's report, is included as Appendix A to this Official Statement. Potential purchasers should read such financial statements in their entirety for more complete information concerning the District's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The District has not requested or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessment, procedures or evaluation with respect to such financial statements since the date thereof, or relating to this Official Statement, nor has the District requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of

the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the District since the date of the financial statements, in connection with the issuance of the Notes, the District represents that there has been no material adverse change in the financial position or results of operations of the District, nor has the District incurred any material liabilities, which would make such financial statements misleading.

UNDERWRITING

The Notes have been purchased at a public sale by a group of Underwriters for whom _____ is acting as Managing Underwriter (the "Underwriter"). Pursuant to the Official Notice of Sale, the Underwriter has agreed to pay certain costs of issuance of the Notes on behalf of the District. The Underwriter intends to offer the Notes to the public initially at the prices which produce the yields set forth on the inside cover page of this Official Statement plus accrued interest from March 5, 2026, which prices may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the Notes to the public. The Underwriter may offer and sell the Notes to certain dealers (including dealers depositing the Notes into investment trusts) at prices lower than the public offering prices.

FINANCIAL ADVISOR

Robert W. Baird & Co. Incorporated, Milwaukee, Wisconsin, has been retained as financial advisor (the "Financial Advisor" or "Baird") in connection with the issuance of the Notes. In preparing this Official Statement, the Financial Advisor has relied upon the District, and other sources, having access to relevant data to provide accurate information for this Official Statement. To the best of the Financial Advisor's knowledge, the information contained in this Official Statement is true and accurate. However, the Financial Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information.

The Financial Advisor's duties, responsibilities, and fees in connection with this issuance arise solely from the services for which it is engaged to perform as financial advisor on the Notes. Baird's compensation for serving as financial advisor on the Notes is conditional on the successful closing of the Notes.

RATING

This issue has been assigned a "Aa3" rating by Moody's Investors Service, Inc. Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from the rating agency furnishing the same. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Notes.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Notes, and the rating assigned by the rating agency should be evaluated independently. Except as may be required by the Undertaking described under the heading "CONTINUING DISCLOSURE" neither the District nor the Underwriter undertakes responsibility to bring to the attention of the owners of the Notes any proposed change in or withdrawal of such rating or to oppose any such revision or withdrawal.

REVENUE LIMITS ON WISCONSIN SCHOOL DISTRICTS

The Wisconsin Statutes impose revenue limits on Wisconsin school districts, including the District. The Wisconsin Statutes generally have allowed for some annual per pupil increases without voter approval in certain, but not all years. For example, the Wisconsin Statutes provided for increases of average revenue per pupil by \$175 per pupil in the 2019-20 school year and \$179 per pupil in the 2020-21 school year without the need for voter approval; however, for the 2015-16 through 2018-19 school years and the 2021-22 and 2022-23 school years, school districts were prohibited from increasing their revenue limit without voter approval. The current Wisconsin Statutes provide for an increase of average revenue per pupil by \$325 per pupil for the 2023-24 and 2024-25 school years without the need for voter approval, which amount is continued under the current Wisconsin Statutes until the year 2425. These provisions of the Wisconsin Statutes may change in the future.

The revenue limit is increased by funds needed for payment of debt service on general obligation debt authorized before the effective date of the revenue limit statutes (August 12, 1993) (the "Effective Date") and debt service on obligations issued to refund such debt. Debt authorized after the Effective Date is exempt from the revenue limits if approved at a referendum, as is debt service on obligations issued to refund such debt.

The Notes were approved at referendum. Accordingly, the payment of debt service on the Notes is not subject to the revenue limits.

TAX EXEMPTION

Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel, will deliver a legal opinion with respect to the federal income tax exemption applicable to the interest on the Notes under existing law substantially in the following form:

"The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The District has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the District comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes."

The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

Prospective purchasers of the Notes should be aware that ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Notes should consult their tax advisors as to collateral federal income tax consequences.

From time to time legislation is proposed, and there are or may be legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Notes. It cannot be predicted whether, or in what form, any proposal that could alter one or more of the federal tax matters referred to above or adversely affect the market value of the Notes may be enacted. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

Original Issue Discount

To the extent that the initial public offering price of certain of the Notes is less than the principal amount payable at maturity, such Notes ("Discounted Bonds") will be considered to be issued with original issue discount. The original issue discount is the excess of the stated redemption price at maturity of a Discounted Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discounted Bonds were sold (issue price). With respect to a taxpayer who purchases a Discounted Bond in the initial public offering at the issue price and who holds such Discounted Bond to maturity, the full amount of original issue discount will constitute interest that is not includible in the gross income of the owner of such Discounted Bond for federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted Bond upon maturity.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted Bond, on days that are determined by reference to the maturity date of such Discounted Bond. The amount treated as original issue discount on a Discounted Bond for a particular semiannual accrual period is generally equal to (a) the product of (i) the yield to maturity for such Discounted Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discounted Bond at the beginning of the particular accrual period if held by the original purchaser; and less (b) the

amount of any interest payable for such Discounted Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If a Discounted Bond is sold or exchanged between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

For federal income tax purposes, the amount of original issue discount that is treated as having accrued with respect to such Discounted Bond is added to the cost basis of the owner in determining gain or loss upon disposition of a Discounted Bond (including its sale, exchange, redemption, or payment at maturity). Amounts received upon disposition of a Discounted Bond that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain.

The accrual or receipt of original issue discount on the Discounted Bonds may result in certain collateral federal income tax consequences for the owners of such Discounted Bonds. The extent of these collateral tax consequences will depend upon the owner's particular tax status and other items of income or deduction.

The Code contains additional provisions relating to the accrual of original issue discount. Owners who purchase Discounted Bonds at a price other than the issue price or who purchase such Discounted Bonds in the secondary market should consult their own tax advisors with respect to the tax consequences of owning the Discounted Bonds. Under the applicable provisions governing the determination of state and local taxes, accrued interest on the Discounted Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year. Owners of Discounted Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discounted Bonds.

Bond Premium

To the extent that the initial offering price of certain of the Notes is more than the principal amount payable at maturity, such Notes ("Premium Bonds") will be considered to have bond premium.

Any Premium Bond purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. The amortizable bond premium of each Premium Bond is calculated on a daily basis from the issue date of such Premium Bond until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each accrual period (with straight line interpolation between the compounding dates). An owner of a Premium Bond that has amortizable bond premium is not allowed any deduction for the amortizable bond premium; rather the amortizable bond premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium Bonds. During each taxable year, such an owner must reduce his or her tax basis in such Premium Bond by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the holder held such Premium Bond. The adjusted tax basis in a Premium Bond will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium Bond.

Owners of Premium Bonds who did not purchase such Premium Bonds in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium Bonds. Owners of Premium Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium Bonds.

NOT QUALIFIED TAX-EXEMPT OBLIGATIONS

The Notes shall NOT be "qualified tax-exempt obligations" for purposes of Section 265 of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

CONTINUING DISCLOSURE

In order to assist the Underwriter in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "SEC"), pursuant to the Securities Exchange Act of 1934 (the "Rule"), the District shall covenant pursuant to the Award Resolution adopted by the Board to enter into an undertaking (the "Undertaking") for the benefit of holders including beneficial holders of the Notes to provide certain financial information and operating data relating to the District annually to the Municipal Securities Rulemaking Board (the "MSRB"), and to provide notices of the occurrence of certain events enumerated in the Rule electronically or in the manner otherwise prescribed by the MSRB to the MSRB. **The Undertaking provides that the annual report will be filed not later than 270 days after the end of each fiscal year. The District's fiscal year ends June 30th.** The details and terms of the Undertaking, as well as the information to be contained in the annual report or the notices of material events, are set forth in the Continuing Disclosure Certificate to be executed and delivered by the District at the time the Notes are delivered. Such Certificate will be in substantially the form attached hereto as Appendix B. A failure by the District to comply with the Undertaking will not constitute an event of default on the Notes (although holders will have the right to obtain specific performance of the obligations under the Undertaking). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Notes in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

The District is required to file its continuing disclosure information using the Electronic Municipal Market Access ("EMMA") system. Investors will be able to access continuing disclosure information filed with the MSRB at www.emma.msrb.org.

The District failed to timely file its audited financial statements and operating data for the fiscal year ended June 30, 2023. Except to the extent the preceding is deemed to be material, in the previous five years, the District has not failed to comply in all material respects with any previous undertakings under the Rule. The District has reviewed its continuing disclosure responsibilities to help ensure compliance in the future.

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Notes. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Note certificate will be issued for each maturity of the Notes, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P Global rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct

or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the District or the Agent. Under such circumstances, in the event that a successor depository is not obtained, Note certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Note certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

LITIGATION

There is no controversy or litigation of any nature now pending or, to the knowledge of the District, threatened, restraining or enjoining the issuance, sale, execution or delivery of the Notes, or in any way contesting or affecting the validity of the Notes or any proceedings of the District taken with respect to the issuance or sale thereof.

LEGAL MATTERS

Legal matters incident to the authorization and issuance of the Notes are subject to the unqualified approving legal opinion of Quarles & Brady LLP, Bond Counsel. Such opinion will be issued on the basis of the law existing at the time of the issuance of the Notes. A copy of such opinion will be available at the time of the delivery of the Notes.

Quarles & Brady LLP has also been retained by the District to serve as Disclosure Counsel to the District with respect to the Notes. Although, as Disclosure Counsel to the District, Quarles & Brady LLP has assisted the District with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Notes and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in this Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Notes for any investor.

Quarles & Brady LLP from time to time serves as counsel to the Financial Advisor with respect to issuers other than the District and transactions other than the issuance of the Notes.

MUNICIPAL BANKRUPTCY

Municipalities (including school districts such as the District) are prohibited from filing for bankruptcy under Chapter 11 (reorganization) or Chapter 7 (liquidation) of the U.S. Bankruptcy Code (11 U.S.C. §§ 101-1532) (the "Bankruptcy Code"). Instead, the Bankruptcy Code permits municipalities to file a petition under Chapter 9 of the Bankruptcy Code, but only if certain requirements are met. These requirements include that the municipality must be "specifically authorized" under State law to file for relief under Chapter 9. For these purposes, "State law" may include, without limitation, statutes of general applicability enacted by the State legislature, special legislation applicable to a particular municipality, and/or executive orders issued by an appropriate officer of the State's executive branch.

As of the date hereof, Wisconsin law contains no express authority for municipalities to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code.

Nevertheless, there can be no assurance (a) that State law will not change in the future, while the Notes are outstanding, in a way that would allow the District to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code; or (b) even absent such a change in State law, that an executive order or other executive action could not effectively authorize the District to file for relief under Chapter 9. If, in the future, the District were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the District could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the District is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the District could properly file a bankruptcy case, and that determination was not reversed, vacated, or otherwise substantially altered on appeal, then the rights of holders of the Notes could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Notes, and there could ultimately be no assurance that holders of the Notes would be paid in full or in part on the Notes. Further, under such circumstances, there could be no assurance that the Notes would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Notes could be viewed as having no priority (a) over claims of other creditors of the District; (b) to any particular assets of the District, or (c) to revenues otherwise designated for payment to holders of the Notes.

Moreover, if the District were determined not to be a "municipality" for the purposes of the Bankruptcy Code, no representations can be made regarding whether it would still be eligible for voluntary or involuntary relief under Chapters of the Bankruptcy Code other than Chapter 9 or under similar federal or state law or equitable proceeding regarding insolvency or providing for protection from creditors. In any such case, there can be no assurance that the consequences described above for the holders of the Notes would not occur.

MISCELLANEOUS

Any statement made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement by the District Clerk has been duly authorized by the District.

In accordance with the Rule, the Preliminary Official Statement is deemed final except for the omission of certain information described in the Rule.

AUTHORIZATION

This Official Statement has been approved for distribution to prospective purchasers and the Underwriter of the Notes. The District, acting through its President and Clerk, will provide to the Underwriter of the Notes at the time of delivery of the Notes, a certificate confirming that, to the best of its knowledge and belief, the Official Statement with respect to the Notes, together with any supplements thereto, at the time of the adoption of the Award Resolution and at the time of delivery of the Notes, was true and correct in all material respects and did not at any time contain an untrue statement of a material fact or omit to state a material fact required to be stated, where necessary to make the statements in light of the circumstances under which they were made, not misleading.

SCHOOL DISTRICT OF MARKESAN

By */s/* _____
District Clerk

APPENDIX A

BASIC FINANCIAL STATEMENTS AND RELATED NOTES

SCHOOL DISTRICT OF MARKESAN COLUMBIA, DODGE, FOND DU LAC, GREEN LAKE AND MARQUETTE COUNTIES, WISCONSIN

For Year Ended June 30, 2025

**Johnson Block & Company, Inc.
Certified Public Accountants
Mineral Point, Wisconsin**

A copy of the District's Basic Financial Statements and Related Notes for the fiscal year ended June 30, 2025 including the accompanying independent auditor's report, is included as Appendix A to this Official Statement. Potential purchasers should read such financial statements in their entirety for more complete information concerning the District's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The District has not requested or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessment, procedures or evaluation with respect to such financial statements since the date thereof, or relating to this Official Statement, nor has the District requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the District since the date of the financial statements, in connection with the issuance of the Notes, the District represents that there has been no material adverse change in the financial position or results of operations of the District, nor has the District incurred any material liabilities, which would make such financial statements misleading.



Markesan District Schools



Providing Pathways for Students

MARKESAN DISTRICT SCHOOLS
FINANCIAL STATEMENTS
Including Independent Auditor's Report
As of and for the year ended June 30, 2025

Johnson Block & Company, Inc.
Certified Public Accountants
2500 Business Park Road
Mineral Point, WI 53565
(608) 987-2206

Markesan District Schools
June 30, 2025
Table of Contents

Independent Auditor’s Report 1

Basic Financial Statements:

District-Wide Financial Statements:

Exhibit A-1 Statement of Net Position 4
Exhibit A-2 Statement of Activities..... 6

Fund Financial Statements:

Exhibit A-3 Balance Sheet – Governmental Funds 7
Exhibit A-4 Statement of Revenues, Expenditures and Changes in Fund Balances-
Governmental Funds..... 8
Exhibit A-5 Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balance of Governmental Funds to the
Statement of Activities..... 9

Notes to the Basic Financial Statements..... 10

Required Supplementary Information:

Exhibit B-1 Budgetary Comparison Schedule for the General Fund..... 40
Exhibit B-2 Budgetary Comparison Schedule for the Special Education Fund 41
Exhibit B-3 Schedule of Changes in the District’s Total OPEB Liability and Related Ratios 42
Exhibit B-4 Wisconsin Retirement System Schedules..... 43
Notes to the Required Supplementary Information..... 44

Supplementary Information:

Exhibit C-1 Combining Balance Sheet – Nonmajor Governmental Funds 50
Exhibit C-2 Combining Statement of Revenues, Expenditures and Changes in Fund
Balances – Nonmajor Governmental Funds 51



INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Markesan District Schools
Markesan, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Markesan District Schools ("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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Markesan District Schools, 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 (GAS)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, effective July 1, 2024, the District adopted the provisions of GASB Statement No. 101, Compensated Absences. 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Required Supplementary Information (Continued)

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining nonmajor fund financial statements are the responsibility of management and were 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 auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

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

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
December 11, 2025

BASIC FINANCIAL STATEMENTS

Exhibit A-1
Markesan District Schools
Statement of Net Position
June 30, 2025

		Governmental Activities
ASSETS		
Current assets:		
Cash and cash equivalents	\$	6,675,519
Cash and cash equivalents - restricted		15,096,302
Receivables:		
Taxes		1,905,402
Due from other governmental units		522,127
Other		119,951
Inventory		21,537
Total current assets		24,340,838
Noncurrent assets:		
Capital assets:		
Property and equipment		24,108,962
Less: accumulated depreciation		(13,374,427)
Right to use leased assets		
Net accumulated amortization of \$18,222		81,175
Net book value of capital assets		10,815,710
Total noncurrent assets		10,815,710
Total assets		35,156,548
DEFERRED OUTFLOWS OF RESOURCES		
Pension outflows		2,497,588
OPEB - District health insurance plan outflows		205,443
Total deferred outflows of resources		2,703,031
Total assets and deferred outflows of resources	\$	37,859,579

Exhibit A-1
Markesan District Schools
Statement of Net Position (Continued)
June 30, 2025

	Governmental Activities
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 796,022
Accrued liabilities:	
Salaries and wages	452,287
Payroll taxes and withholdings	398,009
Interest	354,744
Customer deposits	13,430
Current portion of long-term obligations	1,371,999
Total current liabilities	3,386,491
Noncurrent liabilities:	
Notes payable	14,000,000
Unamortized debt premium	376,872
Lease liabilities	83,743
Financed purchases	94,908
Compensated absences	994,777
Net pension liability	463,632
OPEB - District health insurance plan	219,792
Less: current portion	(1,371,999)
Total noncurrent liabilities	14,861,725
Total liabilities	18,248,216
DEFERRED INFLOWS OF RESOURCES	
Pension inflows	1,352,992
OPEB - District health insurance plan inflows	190,865
Total deferred inflows of resources	1,543,857
NET POSITION	
Net investment in capital assets	9,958,617
Restricted for:	
Specific school groups and activities	227,254
Debt service	27,398
Capital projects	1,743,708
Food service	86,223
Community service	162,493
Special revenue	301,132
Unrestricted	5,560,681
Total net position	18,067,506
Total liabilities, deferred inflows of resources, and net position	\$ 37,859,579

Exhibit A-2
Markesan District Schools
Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Instruction:				
Regular instruction	\$ 4,378,450	\$ 532,207	\$ 623,217	\$ (3,223,026)
Vocational instruction	385,100		7,907	(377,193)
Special instruction	1,092,143		714,763	(377,380)
Other instruction	890,827	111,969	387,679	(391,179)
Total instruction	<u>6,746,520</u>	<u>644,176</u>	<u>1,733,566</u>	<u>(4,368,778)</u>
Support services:				
Pupil services	433,415		2,331	(431,084)
Instructional staff services	805,222		227,323	(577,899)
General administration services	321,181			(321,181)
Building administration services	472,120			(472,120)
Business services	2,579,235		56,100	16,644
Food services	472,493	207,044	221,392	(44,057)
Central services	69,986			(69,986)
Insurance	183,235			(183,235)
Other support services	527,533	28,125	5,640	(493,768)
Community services	30,402	6,755		(23,647)
Interest and debt issuance costs	709,993			(709,993)
Depreciation - unallocated	248,465			(248,465)
Total support services	<u>6,853,280</u>	<u>241,924</u>	<u>512,786</u>	<u>16,644</u>
Non-program transactions:				
Purchased instructional services	1,396,760			(1,396,760)
Post-Secondary scholarships	2,500			(2,500)
Total non-program transactions	<u>1,399,260</u>			<u>(1,399,260)</u>
Total governmental activities	\$ <u>14,999,060</u>	\$ <u>886,100</u>	\$ <u>2,246,352</u>	\$ <u>16,644</u>
General revenues:				
Taxes:				
Property taxes, general purposes				5,963,787
Property taxes, community service purposes				92,000
Property taxes, capital improvement purposes				200,000
Other taxes				2,782
Federal and state aid not restricted for specific purposes				
General				4,437,307
Interest and investment earnings				535,535
Gain (Loss) on disposal of capital assets				(45,986)
Miscellaneous				5,131
Total general revenue				<u>11,190,556</u>
Changes in net position				<u>(659,408)</u>
Net position - beginning of year, as previously stated				19,660,891
Restatement for change in accounting principle				(933,977)
Net position - beginning, as restated				<u>18,726,914</u>
Net position - end of year				\$ <u>18,067,506</u>

Exhibit A-3
Markesan District Schools
Balance Sheet
Governmental Funds
June 30, 2025

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 6,076,023	\$	\$ 599,496	\$ 6,675,519
Restricted cash and investments		15,096,302		15,096,302
Receivables:				
Taxes	1,905,402			1,905,402
Due from other governments	522,127			522,127
Other		119,951		119,951
Inventory			21,537	21,537
Total assets	\$ 8,503,552	\$ 15,216,253	\$ 621,033	\$ 24,340,838
LIABILITIES				
Accounts payable	\$ 574,150	\$ 216,272	\$ 5,600	\$ 796,022
Accrued salaries and wages	427,530		24,757	452,287
Payroll taxes and withholdings	398,009			398,009
Customer deposits			13,430	13,430
Total liabilities	1,399,689	216,272	43,787	1,659,748
FUND BALANCES				
Nonspendable			21,537	21,537
Restricted	1,332,415	14,999,981	555,709	16,888,105
Assigned	3,850,000			3,850,000
Unassigned	1,921,448			1,921,448
Total fund balances	7,103,863	14,999,981	577,246	22,681,090
Total liabilities and fund balances	\$ 8,503,552	\$ 15,216,253	\$ 621,033	\$ 24,340,838
Total governmental fund balance				\$ 22,681,090
Total net position reported for governmental activities in the statement of net position are different from the amount reported above as total governmental funds fund balance because:				
Capital assets used in government activities are not financial resources and therefore are not reported in the fund statements. Amounts reported for governmental activities in the statement of net position:				
Governmental capital asset			24,108,962	
Right to use leased assets, net accumulated amortization of \$18,222			81,175	
Governmental accumulated depreciation			(13,374,427)	10,815,710
Pension and OPEB deferred outflows of resources and deferred inflows of resources are actuarially determined by the plans. These items are reflected in the statement of net position and are being amortized with pension and OPEB expense in the statement of activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and therefore are not reported in the fund statements.				
Deferred outflows of resources				2,703,031
Deferred inflows of resources				(1,543,857)
Long-term liabilities, including bonds and notes payable, are not due in the current period and therefore are not reported in the fund statements. Long-term liabilities reported in the statement of net position that are not reported in the funds balance sheet are:				
Notes payable			14,000,000	
Lease liability			83,743	
Financed purchases			94,908	
Debt premium			376,872	
Accrued interest on general obligation debt			354,744	
Net pension liability			463,632	
OPEB - District health insurance plan			219,792	
Compensated absences			994,777	(16,588,468)
Total net position - governmental activities				\$ 18,067,506

Exhibit A-4
Markesan District Schools
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 5,966,569	\$ 200,000	\$ 92,000	\$ 6,258,569
Other local sources	424,789	231,613	503,833	1,160,235
Interdistrict sources	429,286			429,286
Intermediate sources	67,056			67,056
State sources	5,075,586		8,152	5,083,738
Federal sources	1,148,384		213,240	1,361,624
Other sources	5,130			5,130
Total revenues	13,116,800	431,613	817,225	14,365,638
EXPENDITURES				
Instruction:				
Regular instruction	4,195,186			4,195,186
Vocational instruction	370,615			370,615
Special instruction	1,051,511			1,051,511
Other instruction	587,005		291,626	878,631
Total instruction	6,204,317		291,626	6,495,943
Support services:				
Pupil services	415,042		2,854	417,896
Instructional staff services	781,162			781,162
General administration services	311,674			311,674
Building administration services	455,472			455,472
Business services	2,050,175	1,208,287	54,012	3,312,474
Food services			469,994	469,994
Central services	68,294			68,294
Insurance	183,235			183,235
Debt service	121,053		356,510	477,563
Other support services	498,099		670	498,769
Community services			28,325	28,325
Total support services	4,884,206	1,208,287	912,365	7,004,858
Non-program transactions:				
Purchased instructional services	1,396,760			1,396,760
Post-Secondary scholarships			2,500	2,500
Total non-program transactions	1,396,760		2,500	1,399,260
Total expenditures	12,485,283	1,208,287	1,206,491	14,900,061
Excess (deficiency) of revenues over expenditures	631,517	(776,674)	(389,266)	(534,423)
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	(280,000)	280,000		
Debt proceeds		14,000,000		14,000,000
Debt premium			383,260	383,260
Lease proceeds	99,397			99,397
Total other financing sources (uses)	(180,603)	14,280,000	383,260	14,482,657
Net change in fund balances	450,914	13,503,326	(6,006)	13,948,234
Fund balance - beginning of year	6,652,949	1,496,655	583,252	8,732,856
Fund balance - end of year	\$ 7,103,863	\$ 14,999,981	\$ 577,246	\$ 22,681,090

See accompanying notes to the basic financial statements.

Exhibit A-5
Markesan District Schools
Reconciliation of Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

Net change in fund balances - total governmental funds	\$	13,948,234
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>The acquisition of capital and right to use leased assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation/amortization expense in the statement of activities.</p>		
Capital/lease outlay reported in governmental fund statements		1,168,690
Depreciation expense reported in the statement of activities		(682,522)
Amortization expense reported in the statement of activities		<u>(19,188)</u>
Amount by which capital outlays are greater (less) than depreciation/amortization expense in the current period.		466,980
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, and disposals) is to increase/decrease net position:</p>		
		(45,986)
<p>Long-term proceeds provide current financial resources to governmental funds but issuing long-term debt increases long-term liabilities in the statement of net position. Repayment of principal on long-term debt is reported in governmental funds as an expenditure but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities.</p>		
Proceeds from lease liabilities		(99,397)
Proceeds from long-term debt		(14,000,000)
<p>Debt premiums are reported in the governmental funds as revenues when those amounts are received. However, the premium is shown in the statement of net position and allocated over the life of the debt issue as interest income in the statement of activities.</p>		
Amount of debt premium amortized		6,388
Amount of debt premium received		(383,260)
<p>Pension expense reported in the governmental funds represents current year required contributions into the defined benefit pension plan. Pension expense in the statement of activities is actuarially determined by the defined benefit pension plan as the difference between the net pension liability from the prior year to the current year, with some adjustments.</p>		
Difference between the required contributions into the defined benefit plan and the actuarially determined change in net pension liability between years, with adjustments		(226,592)
<p>Some expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>		
Changes in other postemployment benefits		(26,157)
<p>Compensated absences are reported in governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year.</p>		
Change in compensated absences		(60,800)
<p>Long-term proceeds, including lease liabilities, provide current financial resources to government funds but issuing long-term debt increases long-term liabilities in the statement of net position. Repayment of principal on long-term debt is reported in governmental funds as an expenditure but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities.</p>		
The amount of lease liability principal payments in the current year is:		22,026
The amount of finance purchase principal payments in the current year is:		92,193
<p>In governmental funds, interest payments on outstanding debt are reported as an expenditure when paid. In the statement of activities, interest is reported as incurred.</p>		
The amount of interest paid during the current period		11,651
The amount of interest accrued during the current period		<u>(364,688)</u>
Interest paid is greater (less) than interest earned by		<u>(353,037)</u>
Change in net position - governmental activities	\$	<u><u>(659,408)</u></u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

Markesan District Schools
June 30, 2025
Index to the Notes to the Basic Financial Statements

	<u>Page</u>
Note 1	Summary of Significant Accounting Policies 10
A.	Reporting Entity 10
B.	Basis of Presentation 10
C.	Measurement Focus, Basis of Accounting, and Financial Statement Presentation 12
D.	Assets and Liabilities 14
E.	Claims and Judgments 16
F.	Estimates 16
G.	Budgets 16
H.	Interfund Transactions 16
I.	Equity Classifications 17
J.	Risk Management 18
K.	Pensions 18
L.	Deferred Outflows and Inflows of Resources 18
M.	Change in Accounting Principles 18
Note 2	Explanation of Certain Differences Between Governmental Fund Statements and District-Wide Statements 19
Note 3	Cash and Investments 19
Note 4	Capital Assets 24
Note 5	Long-Term Obligations 25
A.	Long-term Liabilities 25
B.	Lease Liabilities 27
C.	Finance Purchases 27
Note 6	Other Postemployment Benefits 28
Note 7	Defined Benefit Pension Plan 30
Note 8	Self-Funding Insurance Program 37
Note 9	Limitation of School District Revenues 37
Note 10	Governmental Fund Balances 38
Note 11	Effect of New Accounting Standard on Current Financial Statements 38
Note 12	Change in Accounting Principle 39
Note 13	Subsequent Events and Commitments 39

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The District is organized as a common school district governed by an eleven member elected school board. The District operated kindergarten through 12 and is comprised of all or parts of seventeen taxing districts.

This report includes all funds of the District. The reporting entity for the District consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the governing body and 1) it is able to impose its will on that organization or 2) there is a potential for the organization to provide specific financial benefits or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: 1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; 2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; and 3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. These financial statements do not contain any component units.

B. Basis of Presentation

District-wide Statements:

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

Governmental Funds

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

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

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

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Major Funds

The District reports the following major governmental funds:

General Fund
Capital Projects Fund

Nonmajor Funds

The District reports the following nonmajor funds:

Debt Service Fund – accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental activities.

Special Revenue Funds:

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

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

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

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

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

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after the end of the fiscal year. Certain federal and state funded grant revenues are considered available if they are collected within 180 days. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets and Liabilities

Cash and Cash Equivalents/Investments

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

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

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

Accounts Receivable

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

Inventories and Prepaid Items

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

Capital Assets

District-wide Statements

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

All capital assets, or groups of assets, that meet the District's capitalization threshold of \$5,000 are capitalized and updated for additions. Assets that are disposed of are taken off on an annual basis. All improvements to capital assets are capitalized while the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's useful are expensed.

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets and Liabilities (Continued)

District-wide Statements (Continued)

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Furniture and equipment	5 – 20 years
Site improvement	25 years
Buildings	60 years

Fund Financial Statements

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

Right to use Leased Assets

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

Long-Term Obligations

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

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

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

Other Postemployment Benefits

Medical Postemployment Insurance. The District provides certain postemployment medical care premium payments to qualified retired employees. See Note 6.

For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information of the District's Other Postemployment Benefit Plan (the Plan) has 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.

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets and Liabilities (Continued)

Compensated Absences

Under terms of employment, employees are granted leave in varying amounts. Benefits considered to be more likely than not to be used or settled at termination are recognized in the financial statements.

Amounts of accumulated leave that are not expected to be liquidated with expendable available financial resources are reported as liabilities in the Statement of Net Position. A liability is also recorded for accumulating rights to receive leave benefits for the portion more than likely than not to be used by employees. Additionally, a liability is recognized for that portion of accumulating leave benefits that is estimated will more likely than not be paid upon termination. The District accrues compensated absences salary-related payments associated with payments of compensated absences.

E. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental fund types. There were no significant claims or judgments at year end.

F. Estimates

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

G. Budgets

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1 (c).

The budgeted amounts presented as required supplementary information include amendments adopted during the year. Transfers between functions and changes to the overall budget must be approved by a two-thirds board action. Budgets are adopted at the function level for general fund and all other funds.

H. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transfers are reported as operating transfers.

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Equity Classifications

District-wide Statements

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

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

Fund Statements

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

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

The District has not adopted a fund balance spend down policy regarding the order in which fund balance will be utilized. When a policy does not specify the spend down policy, accounting standards indicate that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Risk Management

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

K. Pensions

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

- Net Pension Liability (Asset),
- Deferred Outflows or 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 the WRS' fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

L. Deferred Outflows and Inflows of Resources

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

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

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

M. Change in Accounting Principles

Effective July 1, 2024, the District adopted GASB Statement No. 101, Compensated Absences. GASB 101 was issued to provide guidance on the accounting and financial reporting for compensated absences. As a result of adopting GASB 101, the District made changes to the way it recognizes and measures its compensated absence liability and an adjustment to beginning net position was required for the government-wide financial statements. See Note 12 for additional information.

Effective July 1, 2024, the District adopted GASB Statement No. 102, Certain Risk Disclosures. GASB 102 was issued to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The District does not have any certain risk disclosures requiring disclosure in the financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

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

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

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

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

- a. Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas the statement of activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used on the statement of activities. The long-term expenses reported recognize the change in compensated absences.
- b. Capital related differences include (1) the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and (2) the difference between recording an expenditure for the purchase of capital items in the governmental fund statements, and capitalization and recording depreciation expense on those items as recorded in the statement of activities.

Long-term debt transaction differences occur because long-term debt proceeds are recorded as revenue and both interest and principal payments are recorded as expenditures in the governmental fund statements. In the statement of activities, long-term debt proceeds are recorded as a liability, interest expense is recorded as incurred, and principal payments are recorded as a reduction of liabilities.

NOTE 3 CASH AND INVESTMENTS

At June 30, 2025, cash and investments included the following:

Account Balances	
Deposits with financial institutions	\$ 9,818
Wisconsin Local Government Investment Pool	8,378,653
Wisconsin Investment Series Coop (WISC)	13,383,150
Petty cash	200
Total	\$ 21,771,821

Cash and investments as of June 30, 2025 are classified in the accompanying financial statements as follows:

Per statement of net position (Exhibit A-1)	
Cash and cash equivalents	\$ 6,675,519
Restricted cash	15,096,302
Total	\$ 21,771,821

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

The WISC investments consist of the following:

Investment series fund	\$ 2,285,173
Cash management class	38,861
Certificates of deposit	6,516,300
US treasuries	1,742,816
Term series investments	2,800,000
Total	<u>\$ 13,383,150</u>

Investments Authorized by Wisconsin State Statutes

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

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

Foreign Currency Risk

The District did not invest in any foreign currency during this fiscal year.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market rates. The District's investment policy limits investment to within three years of the date of purchase.

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk (Continued)

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

Investment Type	Amount	Remaining Maturity (in months)	
		12 months or less	13-24 months
Certificates of deposit	\$ 6,621,461	\$ 5,690,961	\$ 930,500
WI Local Government Investment Pool	8,378,653	8,378,653	
US Treasuries	1,742,816	1,742,816	
Term series investments	2,800,000	2,800,000	
Total	\$ 19,542,930	\$ 18,612,430	\$ 930,500

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. The District's policies are designed to maximize investment earnings while protecting the security of principal and providing adequate liquidity, in accordance to state statute. At June 30, 2025, the District had no investments in government securities. The District does invest in the state investment pool which is not rated.

Concentration of Credit Risk

The District limits investments to be no more than 15 percent of the investment portfolio.

Diversification

Investments shall be diversified to eliminate the risk of loss resulting in over concentration in a specific maturity, issuer, or class of securities.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District would not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the District would not be able to recover the value of its investment of collateral securities that are in possession of another party. 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 is currently holding deposits with two financial institutions and the Local Government Investment Pool. The District has no policy regarding investment deposit restrictions.

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued)

Federal Deposit Insurance Corporation (FDIC) Insurance

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

Collateralization of Public Unit Deposits

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

As of June 30, 2025, \$6,919,234 of the District's deposits with financial institutions were insured by the FDIC and \$85,013 of the District's deposits were in excess of federal depository insurance limits. All of this amount is collateralized by securities held in the District's name by a local financial institution.

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

Wisconsin Local Investment Pool

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued)

Wisconsin Local Investment Pool (Continued)

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 amount reported above. Information on derivatives was not available to the District.

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

Investment allocation in the local government investment pool as of June 30, 2025 was: 98% in U.S Government Securities and 2% in commercial paper, CDs, and time deposits. The Wisconsin State Treasurer updates the investment allocations on a monthly basis.

Wisconsin Investment Series Cooperative

The District has investments in WISC consisting of the Investment Series Fund (IS), Cash Management Class (CMS), US treasuries, and term series investments. The IS are pooled funds investing in U.S. government obligations, agencies, and commercial paper. The Cash Management Class has no minimum balance requirements and no minimum amount requirements for deposits or withdrawals. The IS requires a 14-day minimum investment period and one business day withdrawal notice. Permitted Investments are in such a manner as to result in an average dollar weighted maturity for the Portfolio of no greater than sixty (60) days. The Permitted Investments are selected by the Fund's investment advisor, US Bank National Association (the "Investment Advisor") and its sub-advisor, Prudent Man Advisors, LLC (the "Subadvisor"), and consist of money market instruments having a maximum maturity of 397 days.

WISC is not registered with the Securities and Exchange Commission, but operates under Wisconsin Intergovernmental Cooperation Statutes, Section 66.0301. 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. Investment income is distributed to participants based on their relative participation during the period. Participants in WISC have the right to withdraw their funds in total on one day's notice.

A separate financial report for WISC is prepared in accordance with GASB. Copies of the report can be obtained by contacting the Wisconsin Investment Series Cooperative.

WISC and LGIP are generally exempt from fair value disclosure due to investments being valued at amortized cost.

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 4

CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2025 were as follows:

	Balance 7/1/2024	Additions	Deductions	Balance 6/30/2025
Governmental activities				
<i>Capital assets, not being depreciated:</i>				
Sites (land)	\$ 14,000	\$	\$	\$ 14,000
Construction work in progress		678,441		678,441
Total capital assets, not being depreciated	14,000	678,441		692,441
<i>Capital assets, being depreciated:</i>				
Site improvements	1,617,803	11,500		1,629,303
Buildings	17,621,622	8,155		17,629,777
Furniture and equipment	4,151,572	371,197	(365,328)	4,157,441
Total capital assets, being depreciated	23,390,997	390,852	(365,328)	23,416,521
Less accumulated depreciation:				
Site improvements	(827,336)	(87,997)		(915,333)
Buildings	(10,189,666)	(345,576)		(10,535,242)
Furniture and equipment	(2,021,280)	(248,949)	346,377	(1,923,852)
Total accumulated depreciation	(13,038,282)	(682,522)	346,377	(13,374,427)
Total net capital assets being depreciated	10,352,715	(291,670)	(18,951)	10,042,094
Right to use leased assets being amortized:				
Copiers	81,106	99,397	(81,106)	99,397
Less: accumulated amortization				
Copiers	(53,105)	(19,188)	54,071	(18,222)
Net right to use leased assets being amortized	28,001	80,209	(27,035)	81,175
Total net capital assets	\$ 10,394,716	\$ 466,980	\$ (45,986)	\$ 10,815,710

Depreciation expense was charged to governmental functions as follows:

Regular instruction	\$ 27,303
Vocational instruction	1,937
Other instruction	8,556
Business services	367,743
Food service	1,421
Central services	743
Other support services	24,621
Community services	1,733
Depreciation not charged to a specific function	248,465
Total depreciation for governmental activities	\$ 682,522

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 4

CAPITAL ASSETS (CONTINUED)

Capital outlay/lease was charged to governmental functions as follows:

Other instruction	\$ 5,310
Business administration	1,156,050
Food service	7,330
Total capital outlay in governmental funds	\$ 1,168,690

Amortization expense was charged to functions as follows:

Business administration	\$ 19,188
-------------------------	-----------

NOTE 5

LONG-TERM OBLIGATIONS

A. Long-term Liabilities

Long-term liability balances and activity for the year ended June 30, 2025 were as follows:

	Balance 7/1/2024	Additions	Removals	Balance 6/30/2025	Current Portion
General Obligation Debt:					
Notes payable	\$	\$ 14,000,000	\$	\$ 14,000,000	\$ 1,000,000
Other liabilities:					
Lease liabilities	6,372	99,397	(22,026)	83,743	18,296
Financed purchases	187,101		(92,193)	94,908	94,908
Compensated absences*	933,977	60,800		994,777	258,795
Total long-term obligations	\$ 1,127,450	\$ 14,160,197	\$ (114,219)	\$ 15,173,428	\$ 1,371,999

*The change in compensated absences liability is presented as a net change.

Total interest paid and accrued during the year ended June 30, 2025:

	Expense	Paid
General obligation debt	\$ 353,879	\$
Lease liabilities	6,138	6,138
Financed purchases	4,671	5,513
Long-term debt	\$ 364,688	\$ 11,651

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 5

LONG-TERM OBLIGATIONS (CONTINUED)

A. Long-term Liabilities (Continued)

General obligation debt

All general obligation debt is secured by the full faith and credit and unlimited taxing powers of the District. General obligation debt at June 30, 2025 is comprised of the following individual issues:

Description	Issue Dates	Interest Rates	Dates of Maturity	Balance 6/30/2025
General Obligation Promissory Notes	3/6/2025	4.0-4.25%	3/1/2045	<u>\$ 14,000,000</u>

The 2024 equalized valuation of the District, as certified by the Wisconsin Department of Revenue is \$1,085,119,967. The legal debt limit and margin of indebtedness as of June 30, 2025 in accordance with Section 67.03(1)(b) of the Wisconsin Statutes follows:

Debt limit (10% of \$1,085,119,967)	\$ 108,511,997
Deduct long-term debt applicable to debt margin	<u>(14,000,000)</u>
Margin of indebtedness	<u>\$ 94,511,997</u>

Aggregate cash flow requirements for the retirement of long-term principal and interest at June 30, 2025 follows:

Year Ended June 30,	Principal	Interest	Total
2026	\$ 1,000,000	\$1,061,635	\$ 2,061,635
2027		526,588	526,588
2028		526,588	526,588
2029		526,588	526,588
2030		526,588	526,588
2031-2035		2,632,940	2,632,940
2036-2040	4,800,000	2,389,530	7,189,530
2041-2045	8,200,000	1,042,402	9,242,402
Total	<u>\$14,000,000</u>	<u>\$9,232,859</u>	<u>\$23,232,859</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 5

LONG-TERM OBLIGATIONS (CONTINUED)

B. Lease Liabilities

Aggregate cash flow requirements for the retirement of the lease liabilities and interest at June 30, 2025 were as follows:

Years Ended June 30,	Principal	Interest	Total
2026	\$ 18,296	\$ 5,440	\$ 23,736
2027	19,659	4,077	23,736
2028	21,124	2,612	23,736
2029	22,698	1,038	23,736
2030	1,966	12	1,978
Totals	<u>\$ 83,743</u>	<u>\$ 13,179</u>	<u>\$ 96,922</u>

C. Finance Purchases

Aggregate cash flow requirements for the retirement of the finance purchases and interest at June 30, 2025 were as follows:

<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	<u>\$ 94,908</u>	<u>\$ 2,797</u>	<u>\$ 97,705</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 6

OTHER POSTEMPLOYMENT BENEFITS

The Markesan District Schools reports its liability for other post-employment based on an actuarially determined liability for the present value of projected future benefits for retired and active employees on the financial statements.

Plan Description – The District operates a single-employer retiree benefit plan that provides postemployment health insurance benefits to eligible employees. The District allows retirees, at least age 55, to remain on the District’s group medical plan provided the retiree self pays the full (100%) of the required premium equivalent rate. There are 99 active and 7 retired members in the plan. Benefits and eligibility for teachers, administrators, and support staff are established and amended by the Board of Education. The plan does not issue stand-alone financial statements.

Funding Policy – The District will fund the OPEB with a pay-as-you-go basis. There are no assets accumulated in a trust that meet the criteria Governmental Accounting Standards to pay related benefits.

Employees Covered by Benefit Terms – At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	7
Active employees	99
	106
	106

Total OPEB Liability – The District’s total OPEB Liability of \$219,792 was measured at June 30, 2024, and was determined by an actuarial valuation as of June 30, 2023, rolled forward to June 30, 2024. No material change in assumptions or benefit terms occurred between valuation date and measurement date.

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

Inflation	2.50 percent
Salary increases	3 percent, average, including inflation
Discount rate	4.21 percent
Healthcare cost trend rates	7.00% decreasing to 6.50%, then decreasing by 0.10% per year down to 4.50%, and level thereafter

The discount rate is based on the S&P Municipal Bond 20 Year High Grade Index as of the week of the measurement date.

Mortality rates were based on the 2020 WRS Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010.

The actuarial assumptions used in the June 30, 2023 valuation were based on a study conducted in 2021 using the Wisconsin Retirement System (WRS) experience from 2018-2020.

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 6

OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 6/30/2023	\$ 200,236
Changes for the year:	
Service cost	30,499
Interest	8,522
Changes of benefit terms	
Differences between expected and actual experience	
Changes in assumptions or other inputs	(1,201)
Benefit payments	(18,264)
Net changes	19,556
 Balance at 6/30/2024	 \$ 219,792

The discount rate was updated based on the S&P Municipal Bond 20 Year High Grade Index as of the week of the measurement date (4.21%) in compliance with GASB 75. All other assumptions and methods remained unchanged from the actuarial valuation performed as of June 30, 2023.

The actuarial valuation was performed as of June 30, 2023. The discount rate was increased from 4.13% to 4.21% when the information was rolled forward to June 30, 2024.

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.21 percent) or 1-percentage-point higher (5.21 percent) than the current discount rate:

		1% Decrease 3.21%	Current Discount Rate 4.21%	1% Increase 5.21%
Total OPEB Liability	6/30/2024	\$ 235,251	\$ 219,792	\$ 205,293

Sensitivity of the total OPEB liability to changes in healthcare cost trend rates

The following represents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.0 percent decreasing to 3.5 percent) or 1-percentage-point higher (8.0 decreasing to 5.5 percent) than the current healthcare cost trend rates:

		1% Decrease (6.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% decreasing to 4.5%)	1% Increase (8.0% decreasing to 5.5%)
Total OPEB Liability	6/30/2024	\$ 194,644	\$ 219,792	\$ 249,462

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 6

OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

For the year ended June 30, 2024, the District recognized OPEB expense of \$24,682. 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 experiences	\$ 131,703	\$ 108,712
Changes of assumptions or other inputs	14,136	82,153
Contributions after the measurement date	59,604	
Total	\$ 205,443	\$ 190,865

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

Year Ended June 30:	Net Outflows (Inflows) of Resources
2026	\$ (14,339)
2027	(14,339)
2028	(14,340)
2029	8,215
2030	6,058
Thereafter	(16,281)
Total	\$ (45,026)

NOTE 7

DEFINED BENEFIT PENSION PLAN

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 7

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

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

The WRS also provides death and disability benefits for employees.

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

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)
2024	3.6	15.0

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 7

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

During the reporting period, the WRS recognized \$402,563 in contributions from the employer.

Contribution rates as of June 30, 2025 are:

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.95%	6.95%
Protective with Social Security	6.95%	14.95%
Protective without Social Security	6.95%	18.95%

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

At June 30, 2025, the District reported a liability (asset) of \$463,632 or its proportionate share of the net pension asset. The net pension liability (asset) was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability (asset) 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 (asset) was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2024, the District's proportion was 0.02821584%, which was a decrease of 0.00095612% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District's recognized pension expense of \$628,291.

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 7

DEFINED BENEFIT PENSION PLAN (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 projected and actual experience	\$ 1,439,834	\$ (1,352,992)
Net differences between projected and actual earnings on pension plan investments	704,515	
Changes in assumptions	137,568	
Changes in proportion and differences between employer contributions and proportionate share of contributions	13,521	
Employer contributions subsequent to the measurement date	202,150	
Total	\$ 2,497,588	\$ (1,352,992)

\$202,150 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 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:

Year Ended June 30:	Net Deferred Outflows (Inflows) of Resources
2026	\$ 284,095
2027	965,370
2028	(234,513)
2029	(72,506)
Total	\$ 942,446

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 7

DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial assumptions. The total pension liability in the December 31, 2024, 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
Post-Retirement Adjustments	1.7%*

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 7

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

Asset Allocation Targets and Expected Returns ¹			
As of December 31, 2024			
Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return % ²
Public Equity	38	7.0	4.3
Public Fixed Income	27	6.1	3.4
Private Equity/Debt	20	9.5	6.7
Inflation Sensitive	19	4.8	2.1
Real Estate	8	6.5	3.8
Leverage ³	(12)	3.7	1.1
Total Core Fund	100	7.5	4.8
Variable Fund Asset Class			
U.S. Equities	70	6.5	3.8
International Equities	30	7.4	4.7
Total Variable Fund	100	6.9	4.2

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

²New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.6%

³The 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%.

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 7

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

Sensitivity of the District’s proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the District’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80 percent, as well as what the District’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
District's proportionate share of the net pension liability (asset)	\$ 4,349,482	\$ 463,632	\$ (2,297,151)

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 8

SELF-FUNDING INSURANCE PROGRAM

The District has a self-funded health and dental plan for its employees. The plan administrators (United Medical Resources) are 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 ending June 30, 2025.

Accounting and budgeting requirements for the plan are established by the Wisconsin Department of Public Instruction. The plan is accounted for in the general fund of the District.

As part of the health care coverage of the plan the stop loss carrier pays claims in excess of \$85,000 and/or 125% of the annual estimated claims as provided by the administrators. For the year ended June 30, 2025, the aggregate claim limit was \$2,380,275. The District has no stop-loss coverage for dental care coverage of the plan.

As of June 30, 2025, the District has reported a liability of \$254,340, 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. This amount consists of claims reported to the Plan administrator but not the District of \$397 and claims which were not yet reported to either the Plan administrator or the District of \$253,943. The amounts not reported to the District were determined by the Plan administrator. Changes in the claims liability for the last three years are as follows:

Fiscal year:	Accrued Balance at Beginning of Year	Current year Claims and Changes in Estimates	Claim Payments	Accrued Balance at End of Year
2024-2025	\$ 590,838	\$ 1,010,753	\$ (1,347,251)	\$ 254,340
2023-2024	364,056	2,211,169	(1,984,387)	590,838
2022-2023	503,366	1,693,652	(1,832,962)	364,056

NOTE 9

LIMITATION OF SCHOOL DISTRICT REVENUES

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 10

GOVERNMENTAL FUND BALANCES

Governmental fund balances reported on the fund financial statements at June 30, 2025, include the following:

Major funds:

General fund:

Restricted for:

Multiple school groups and activities	\$ 227,254
Self insurance loss contingency	1,105,161

Assigned for:

Future capital projects	1,500,000
Extending referendum cap.	2,000,000
Future salaries	100,000
Future technology purchases	250,000

Unassigned:

Total general fund	1,921,448
--------------------	-----------

Capital projects fund:

Restricted for:

Capital expansion and long-term capital improvements	\$ 14,999,981
--	---------------

Nonmajor funds:

Debt service fund:

Restricted for:

Future debt service retirement	\$ 27,398
--------------------------------	-----------

Food service fund:

Nonspendable:

Inventory	\$ 21,537
-----------	-----------

Restricted for:

Food service programs	64,686
Total food service fund	\$ 86,223

Special revenue fund:

Restricted for:

Special revenue activities	\$ 301,132
----------------------------	------------

Community service fund:

Restricted for:

Community service programs	\$ 162,493
----------------------------	------------

NOTE 11

EFFECT OF NEW ACCOUNTING STANDARD ON CURRENT FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has adopted GASB Statement No. 103, Financial Reporting Model Improvements, effective for periods beginning after June 15, 2025, and GASB Statement No. 104, Disclosure of Certain Capital Assets, effective for periods beginning after June 15, 2025. When these become effective, application of these standards may restate portions of these financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS
Markesan District Schools - June 30, 2025

NOTE 12

CHANGE IN ACCOUNTING PRINCIPLE

A prior period adjustment has been recorded for the change in accounting principle effective July 1, 2024, as follows:

	Reporting Unit Affected by Adjustments to Government-Wide Financial Statements	
	Governmental Activities	
Net position, as previously reported	\$	19,660,891
Change in accounting principle (GASB 101)		(933,977)
Net position, as restated	\$	18,726,914

Implementation of GASB Statement No. 101 required net position in the governmental activities to be decreased. The decrease in net position was to reflect the District's compensated absence liability at the beginning of the year.

NOTE 13

SUBSEQUENT EVENTS AND COMMITMENTS

Prior to June 30, 2025, the board approved window replacement at the middle/high school for \$140,430.

On November 5, 2024, a referendum was passed to issue general obligation notes in an amount not to exceed \$26,000,000 in order to pay for district-wide capital improvement projects. As of June 30, 2025, the District issued \$14,000,000 in promissory notes. Approximately \$13,300,000 of the \$14,000,000 borrowing was not yet spent as of June 30, 2025.

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit B-1
Required Supplementary Information
Markesan District Schools
Budgetary Comparison Schedule for the General Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variances	
	Original	Final		Positive (Negative)	
				Original to Actual	Final to Actual
REVENUES					
Property taxes	\$ 5,968,287	\$ 5,968,287	\$ 5,966,569	\$ (1,718)	\$ (1,718)
Other local sources	405,509	405,509	424,789	19,280	19,280
Interdistrict sources	452,952	452,952	429,286	(23,666)	(23,666)
Intermediate sources	11,020	11,020	7,907	(3,113)	(3,113)
State sources	4,655,084	4,655,084	4,754,049	98,965	98,965
Federal sources	751,035	751,035	852,829	101,794	101,794
Other sources	5,000	5,000	5,130	130	130
Total revenues	<u>12,248,887</u>	<u>12,248,887</u>	<u>12,440,559</u>	<u>191,672</u>	<u>191,672</u>
EXPENDITURES					
Instruction:					
Regular instruction	4,521,538	4,521,538	4,195,186	326,352	326,352
Vocational instruction	403,338	403,338	370,615	32,723	32,723
Other instruction	586,495	586,495	587,005	(510)	(510)
Total instruction	<u>5,511,371</u>	<u>5,511,371</u>	<u>5,152,806</u>	<u>358,565</u>	<u>358,565</u>
Support services:					
Pupil services	363,577	363,577	331,444	32,133	32,133
Instructional staff services	723,539	723,539	678,382	45,157	45,157
General administration services	325,335	325,335	311,674	13,661	13,661
Building administration services	508,544	508,544	455,472	53,072	53,072
Business services	1,883,328	1,883,328	1,885,226	(1,898)	(1,898)
Central services	76,363	76,363	68,294	8,069	8,069
Insurance	181,370	181,370	183,235	(1,865)	(1,865)
Principal and interest	125,304	125,304	121,053	4,251	4,251
Other support services	513,209	513,209	498,099	15,110	15,110
Total support services	<u>4,700,569</u>	<u>4,700,569</u>	<u>4,532,879</u>	<u>167,690</u>	<u>167,690</u>
Non-program transactions:					
Purchased instructional services	729,762	793,561	809,020	(79,258)	(15,459)
Total non-program transactions	<u>729,762</u>	<u>793,561</u>	<u>809,020</u>	<u>(79,258)</u>	<u>(15,459)</u>
Total expenditures	<u>10,941,702</u>	<u>11,005,501</u>	<u>10,494,705</u>	<u>446,997</u>	<u>510,796</u>
Excess (deficiency) of revenues over expenditures	<u>1,307,185</u>	<u>1,243,386</u>	<u>1,945,854</u>	<u>638,669</u>	<u>702,468</u>
OTHER FINANCING SOURCES (USES)					
Transfers (out)	(1,335,100)	(1,660,100)	(1,594,337)	(259,237)	65,763
Lease proceeds			99,397	99,397	99,397
Total other financing sources (uses)	<u>(1,335,100)</u>	<u>(1,660,100)</u>	<u>(1,494,940)</u>	<u>(159,840)</u>	<u>165,160</u>
Net change in fund balances	(27,915)	(416,714)	450,914	478,829	867,628
Fund balance - beginning of year	6,652,949	6,652,949	6,652,949		
Fund balance - end of year	<u>\$ 6,625,034</u>	<u>\$ 6,236,235</u>	<u>\$ 7,103,863</u>	<u>\$ 478,829</u>	<u>\$ 867,628</u>

Exhibit B-2
Required Supplementary Information
Markesan District Schools
Budgetary Comparison Schedule for the Special Education Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variances Positive (Negative)	
	Original	Final		Original to Actual	Final to Actual
REVENUES					
Intermediate sources	\$ 50,000	\$ 50,000	\$ 59,149	\$ 9,149	\$ 9,149
State sources	250,000	250,000	321,537	71,537	71,537
Federal sources	341,944	341,944	295,555	(46,389)	(46,389)
Total revenues	<u>641,944</u>	<u>641,944</u>	<u>676,241</u>	<u>34,297</u>	<u>34,297</u>
EXPENDITURES					
Instruction:					
Special instruction	<u>1,110,290</u>	<u>1,110,290</u>	<u>1,051,511</u>	<u>58,779</u>	<u>58,779</u>
Support services:					
Pupil services	88,387	88,387	83,598	4,789	4,789
Instructional staff services	105,906	105,906	102,780	3,126	3,126
Business services	130,380	130,380	164,949	(34,569)	(34,569)
Total support services	<u>324,673</u>	<u>324,673</u>	<u>351,327</u>	<u>(26,654)</u>	<u>(26,654)</u>
Non-program transactions:					
Purchased instructional services	<u>454,020</u>	<u>454,020</u>	<u>587,740</u>	<u>(133,720)</u>	<u>(133,720)</u>
Total expenditures	<u>1,888,983</u>	<u>1,888,983</u>	<u>1,990,578</u>	<u>(101,595)</u>	<u>(101,595)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,247,039)</u>	<u>(1,247,039)</u>	<u>(1,314,337)</u>	<u>(67,298)</u>	<u>(67,298)</u>
OTHER FINANCING SOURCES					
Transfers in (out)	<u>1,247,039</u>	<u>1,247,039</u>	<u>1,314,337</u>	<u>67,298</u>	<u>67,298</u>
Net change in fund balances					
Fund balance - beginning of year	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance - end of year	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>

Exhibit B-3
Required Supplementary Information
Markesan District Schools
Schedule of Changes in the District's Total
OPEB Liability and Related Ratios
June 30, 2025

	2024	2023	2022	2021
Total OPEB Liability				
Service cost	\$ 30,499	\$ 30,469	\$ 35,465	\$ 35,084
Interest	8,522	10,224	4,655	5,140
Changes in benefit terms				
Differences between expected and actual experience		(87,709)	103,847	112,453
Change of assumptions or other inputs	(1,201)	6,897	(27,778)	(60,199)
Benefit payments	(18,264)	(129,993)	(13,804)	(98,412)
Net change in total OPEB	19,556	(40,119)	(13,804)	(5,934)
Total OPEB Liability - beginning	200,236	240,355	254,159	260,093
Total OPEB Liability - ending	<u>\$ 219,792</u>	<u>\$ 200,236</u>	<u>\$ 240,355</u>	<u>\$ 254,159</u>
Covered Employee Payroll	<u>\$ 5,136,968</u>	<u>\$ 5,136,968</u>	<u>\$ 4,567,907</u>	<u>\$ 4,567,907</u>
Total OPEB liability as a percentage of covered-employee payroll	4.28%	3.90%	5.26%	5.56%
	2020	2019	2018	2017
Total OPEB Liability				
Service cost	\$ 30,020	\$ 31,288	\$ 32,277	\$ 32,277
Interest	8,577	16,791	15,710	15,382
Changes in benefit terms				
Differences between expected and actual experience		(115,633)		
Change of assumptions or other inputs	19,389	(81,613)	(6,349)	
Benefit payments	(55,879)	(49,929)	(34,574)	(41,960)
Net change in total OPEB	2,107	(199,096)	7,064	5,699
Total OPEB Liability - beginning	257,986	457,082	450,018	444,319
Total OPEB Liability - ending	<u>\$ 260,093</u>	<u>\$ 257,986</u>	<u>\$ 457,082</u>	<u>\$ 450,018</u>
Covered Employee Payroll	<u>\$ 4,432,669</u>	<u>\$ 4,432,669</u>	<u>\$ 3,748,057</u>	<u>\$ 3,748,057</u>
Total OPEB liability as a percentage of covered-employee payroll	5.87%	5.82%	12.20%	12.01%

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is only presented for the years for which the required supplementary information is available.

Exhibit B-4
Markesan District Schools
Wisconsin Retirement System Schedules
June 30, 2025

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

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Collective share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2024	0.02821584%	\$ 463,632	\$ 5,834,249	7.95%	98.79%
2023	0.02917196%	433,730	5,516,541	7.86%	98.85%
2022	0.02983157%	1,580,388	5,250,278	30.10%	95.72%
2021	(0.03022405%)	(2,436,114)	5,226,586	(46.61%)	106.02%
2020	(0.03020407%)	(1,885,681)	5,052,981	(37.32%)	105.26%
2019	(0.03046705%)	(982,396)	4,820,255	(20.38%)	102.96%
2018	0.03089990%	1,099,321	4,648,710	23.65%	96.45%
2017	(0.03122341%)	(927,060)	4,614,713	(20.09%)	102.93%
2016	0.03133505%	258,276	4,543,421	5.68%	99.12%
2015	0.03143299%	510,780	4,429,048	11.53%	98.20%

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

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years**

Year ended June 30,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
2025	\$ 401,137	\$ (401,137)	\$	\$ 5,792,493	6.93%
2024	392,124	(392,124)		5,723,152	6.85%
2023	358,813	(358,813)		5,393,564	6.65%
2022	341,720	(341,720)		5,158,826	6.62%
2021	350,897	(350,897)		5,198,469	6.75%
2020	329,671	(329,671)		4,956,118	6.65%
2019	312,114	(312,114)		4,711,846	6.62%
2018	309,034	(309,034)		4,578,592	6.75%
2017	299,866	(299,866)		4,543,421	6.60%
2016	301,176	(301,176)		4,429,048	6.80%

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

Markesan District Schools
Notes to the Required Supplementary Information
June 30, 2025

NOTE 1

BUDGET SCHEDULE

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

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

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

The District is legally required by the State of Wisconsin to maintain and budget separately for a special education fund. Professional standards require the special education fund to be combined with the general fund in the basic financial statements. Due to the perspective differences in budgeting, the required supplementary information reports the budgetary comparison information separately for the general fund and the special education fund.

Except as noted in the previous paragraph, annual budgets are adopted on the basis consistent with U.S. generally accepted accounting principles for all governmental and special revenue funds.

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

NOTE 2

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following function had an excess of actual expenditures over budget for the year ended June 30, 2025:

Fund	Excess Expenditures
General fund:	
Non-program transactions	\$ 15,459
Special education fund:	
Support services	26,654
Non-program transactions	133,720

Markesan District Schools
Notes to the Required Supplementary Information
June 30, 2025

NOTE 3

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

	<u>General Fund</u>	<u>Special Education Fund</u>
A) Sources/Inflows of Resources:		
Actual amounts "total revenues" from the budgetary comparison schedules	\$ 12,440,559	\$ 676,241
Reclassification		
Special education fund revenues are reclassified to the general fund, required for GAAP reporting	<u>676,241</u>	<u>(676,241)</u>
The general fund revenues as reported on the statement of revenues, expenditures and changes in fund balances -governmental funds	<u>\$ 13,116,800</u>	<u>\$</u>
	<u>General Fund</u>	<u>Special Education Fund</u>
B) Uses/Outflows of Resources:		
Actual amounts "total expenditures" from the budgetary comparison schedules	\$ 10,494,705	\$ 1,990,578
Reclassification:		
Special education fund expenditures are reclassified to the general fund, required for GAAP reporting.	<u>1,990,578</u>	<u>(1,990,578)</u>
The general fund expenditures as reported on the statement of revenues, expenditures, and changes in fund balances -governmental funds	<u>\$ 12,485,283</u>	<u>\$</u>

Markesan District Schools
Notes to the Required Supplementary Information
June 30, 2025

NOTE 4

WISCONSIN RETIREMENT SYSTEM SCHEDULES

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

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

Changes of assumptions:

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

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

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

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

Markesan District Schools
Notes to the Required Supplementary Information
June 30, 2025

NOTE 4

WISCONSIN RETIREMENT SYSTEM SCHEDULES (CONTINUED)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:					
	2024	2023	2022	2021	2020
Valuation Date:	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.4%	5.4%	5.4%	5.4%	5.4%
Weighted based on assumed rate for:					
Pre-retirement:	6.8%	6.8%	7.0%	7.0%	7.0%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases:					
Wage Inflation:	3.0%	3.0%	3.0%	3.0%	3.0%
Seniority/Merit:	0.1%-5.7%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	1.7%	1.7%	1.9%	1.9%	1.9%
Retirement Age:	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2021 valuation pursuant to an experience study of the period 2018-2020.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2021 valuation pursuant to an experience study of the period 2018-2020.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.
Mortality:	2020 WRS Experience Tables. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2021 fully generational improvement scale from a base year of 2010.	2020 WRS Experience Tables. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2021 fully generational improvement scale from a base year of 2010.	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).
*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience, and other factors. Value is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.					

Markesan District Schools
Notes to the Required Supplementary Information
June 30, 2025

NOTE 4

WISCONSIN RETIREMENT SYSTEM SCHEDULES (CONTINUED)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:					
	2019	2018	2017	2016	2015
Valuation Date:	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.5%	5.5%	5.5%	5.5%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	7.2%	7.2%	7.2%	7.2%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases:					
Wage Inflation:	3.2%	3.2%	3.2%	3.2%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	2.1%	2.1%	2.1%	2.1%	2.1%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.
Mortality:	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality
*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience, and other factors. Value is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.					

Markesan District Schools
Notes to the Required Supplementary Information
June 30, 2025

NOTE 5

OTHER POSTEMPLOYMENT BENEFITS PLAN

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 2 preceding years.

Changes of benefit terms. There were no changes of benefit terms during the year.

Changes of assumptions. The most recent actuarial valuation was performed as of June 30, 2023. The discount rate was increased from 4.00% to 4.21% when the information was rolled forward to June 30, 2024.

Assets. There were no assets accumulated in a trust that meet the criteria in governmental accounting standards to pay related benefits.

SUPPLEMENTARY INFORMATION

Exhibit C-1
Markesan District Schools
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Food Service	Special Revenue	Community Service	Debt Service	
ASSETS					
Cash and investments	\$ 108,473	\$ 301,132	\$ 162,493	\$ 27,398	\$ 599,496
Inventory	<u>21,537</u>				<u>21,537</u>
Total assets	<u>\$ 130,010</u>	<u>\$ 301,132</u>	<u>\$ 162,493</u>	<u>\$ 27,398</u>	<u>\$ 621,033</u>
LIABILITIES					
Accounts payable	\$ 5,600				\$ 5,600
Accrued salaries and wages	24,757				24,757
Customer deposits	<u>13,430</u>				<u>13,430</u>
Total liabilities	<u>43,787</u>				<u>43,787</u>
FUND BALANCES					
Nonspendable	21,537				21,537
Restricted	<u>64,686</u>	<u>301,132</u>	<u>162,493</u>	<u>27,398</u>	<u>555,709</u>
Total fund balances	<u>86,223</u>	<u>301,132</u>	<u>162,493</u>	<u>27,398</u>	<u>577,246</u>
Total liabilities and fund balances	<u>\$ 130,010</u>	<u>\$ 301,132</u>	<u>\$ 162,493</u>	<u>\$ 27,398</u>	<u>\$ 621,033</u>

Exhibit C-2
Markesan District Schools
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Food Service	Special Revenue	Community Service	Debt Service	
REVENUES					
Property taxes	\$		\$ 92,000	\$	\$ 92,000
Other local sources	207,044	289,676	6,755	358	503,833
State sources	8,152				8,152
Federal sources	213,240				213,240
	<u>428,436</u>	<u>289,676</u>	<u>98,755</u>	<u>358</u>	<u>817,225</u>
EXPENDITURES					
Instruction:					
Other instruction		291,626			291,626
Support services:					
Pupil services		2,854			2,854
Business services			54,012		54,012
Food services	469,994				469,994
Debt service				356,510	356,510
Other support services		670			670
Community services			28,325		28,325
Total support services	<u>469,994</u>	<u>3,524</u>	<u>82,337</u>	<u>356,510</u>	<u>912,365</u>
Non-Program Transactions:					
Post-Secondary scholarships		2,500			2,500
	<u>469,994</u>	<u>297,650</u>	<u>82,337</u>	<u>356,510</u>	<u>1,206,491</u>
Excess (deficiency) of revenues over expenditures	<u>(41,558)</u>	<u>(7,974)</u>	<u>16,418</u>	<u>(356,152)</u>	<u>(389,266)</u>
OTHER FINANCING SOURCES (USES)					
Debt premium				383,260	383,260
Net change in fund balances	(41,558)	(7,974)	16,418	27,108	(6,006)
Fund balances - beginning of year	<u>127,781</u>	<u>309,106</u>	<u>146,075</u>	<u>290</u>	<u>583,252</u>
Fund balances - end of year	<u>\$ 86,223</u>	<u>\$ 301,132</u>	<u>\$ 162,493</u>	<u>\$ 27,398</u>	<u>\$ 577,246</u>

APPENDIX B

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the School District of Markesan, Green Lake, Fond du Lac, Columbia, Marquette and Dodge Counties, Wisconsin (the "Issuer") in connection with the issuance of \$12,000,000 General Obligation Promissory Notes, dated March 5, 2026 (the "Securities"). The Securities are being issued pursuant to resolutions adopted on July 22, 2024 and February 11, 2026 (collectively, the "Resolution") and delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

Section 1(a). Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Securities in order to assist the Participating Underwriters within the meaning of the Rule (defined herein) in complying with SEC Rule 15c2-12(b)(5). References in this Disclosure Certificate to holders of the Securities shall include the beneficial owners of the Securities. This Disclosure Certificate constitutes the written Undertaking required by the Rule.

Section 1(b). Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

Section 2. Definitions. In addition to the defined terms set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Statements" means the Issuer's annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the Issuer intends to continue to prepare in substantially the same form.

"Final Official Statement" means the Final Official Statement dated February 11, 2026 delivered in connection with the Securities, which is available from the MSRB.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer.

"Governing Body" means the School Board of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

"Issuer" means the School District of Markesan, Green Lake, Fond du Lac, Columbia, Marquette and Dodge Counties, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the District Administrator of the Issuer who can be contacted at 100 East Vista Blvd., Markesan, Wisconsin 53946, phone (920) 398-2373, fax (920) 398-3281.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Participating Underwriter" means any of the original underwriter(s) of the Securities (including the Purchaser) required to comply with the Rule in connection with the offering of the Securities.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and official interpretations thereof.

"SEC" means the Securities and Exchange Commission.

Section 3. Provision of Annual Report and Audited Financial Statements.

(a) The Issuer shall, not later than 270 days after the end of the Fiscal Year, commencing with the year ending June 30, 2026, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 270 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

(b) If the Issuer is unable or fails to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of that fact to the MSRB in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 4. Content of Annual Report. The Issuer's Annual Report shall contain or incorporate by reference the Audited Financial Statements, adopted annual budget and/or current general fund budget summary and updates of the following sections of the Final Official Statement to the extent such financial information and operating data are not included in the Audited Financial Statements:

1. TAX LEVIES, RATES AND COLLECTIONS
2. EQUALIZED VALUATIONS
3. INDEBTEDNESS OF THE DISTRICT - Direct Indebtedness

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet website or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Securities:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Securities, or other material events affecting the tax status of the Securities;
7. Modification to rights of holders of the Securities, if material;
8. Securities calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Securities, if material;
11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Securities, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

For the purposes of the event identified in subsection (a)12. above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(b) When a Listed Event occurs, the Issuer shall, in a timely manner not in excess of ten business days after the occurrence of the Listed Event, file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Securities pursuant to the Resolution.

(c) Unless otherwise required by law, the Issuer shall submit the information in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under the Resolution and this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all the Securities.

Section 7. Issuer Contact; Agent. Information may be obtained from the Issuer Contact. Additionally, the Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under the Resolution and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of the Resolution or this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the following conditions are met:

(a)(i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or the type of business conducted; or

(ii) This Disclosure Certificate, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of beneficial owners of the Securities, as determined and certified to the Issuer by an underwriter, financial advisor, bond counsel or trustee.

In the event this Disclosure Certificate is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Report it submits after such amendment shall include an explanation of the reasons for the amendment and the impact of the change, if any, on the type of financial statements or operating data being provided.

If the amendment concerns the accounting principles to be followed in preparing financial statements, then the Issuer agrees that it will give an event notice and that the next Annual Report it submits after such amendment will include a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. (a) Except as described in the Final Official Statement, in the previous five years, the Issuer has not failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of events.

(b) In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of the Securities may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under the Resolution and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Securities and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and holders from time to time of the Securities, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 5th day of March, 2026.

Jon Clark
District President

Brad Krueger
District Clerk

APPENDIX C

FORM OF LEGAL OPINION

Quarles & Brady LLP
411 East Wisconsin Avenue
Milwaukee, WI 53202

March 5, 2026

Re: School District of Markesan, Wisconsin ("Issuer")
\$12,000,000 General Obligation Promissory Notes,
dated March 5, 2026 ("Notes")

We have acted as bond counsel to the Issuer in connection with the issuance of the Notes. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

The Notes are numbered from R-1 and upward; bear interest at the rates set forth below; and mature on March 1 in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$ 495,000	___%
2028	820,000	___
2029	860,000	___
2030	905,000	___
2031	950,000	___
2032	1,000,000	___
2033	1,055,000	___
2034	1,105,000	___
2035	1,165,000	___
2036	1,225,000	___
2037	565,000	___
2038-2045	--	--
2046	1,855,000	___

Interest is payable semi-annually on March 1 and September 1 of each year commencing on March 1, 2027.

The Notes maturing on March 1, 2035 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on March 1, 2034 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the Issuer, and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

【The Notes maturing in the years _____ are subject to mandatory redemption by lot as provided in the Notes, at the redemption price of par plus accrued interest to the date of redemption and without premium.】

We further certify that we have examined a sample of the Notes and find the same to be in proper form.

Based upon and subject to the foregoing, it is our opinion under existing law that:

1. The Notes have been duly authorized and executed by the Issuer and are valid and binding general obligations of the Issuer.
2. All the taxable property in the territory of the Issuer is subject to the levy of ad valorem taxes to pay principal of, and interest on, the Notes, without limitation as to rate or amount. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes except to the extent that necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Notes.
3. The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The Issuer has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Notes. Further, we express no opinion regarding tax consequences arising with respect to the Notes other than as expressly set forth herein.

The rights of the owners of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and may be subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

QUARLES & BRADY LLP

APPENDIX D

OFFICIAL NOTICE OF SALE

FOR

SCHOOL DISTRICT OF MARKESAN

Columbia, Dodge, Fond du Lac, Green Lake and Marquette Counties, Wisconsin

\$12,000,000 General Obligation Promissory Notes

Sale Data:

Sale Date and Time: Wednesday, February 11, 2026
10:00 a.m. Central Time

Place: Robert W. Baird & Co. Incorporated
Public Finance Department
777 East Wisconsin Avenue, 25th Floor
Milwaukee, Wisconsin 53202

Attention: Ms. Natalie Rouse
Phone: (414) 298-2645

Bids will also be accepted electronically
via PARITY

OFFICIAL NOTICE OF SALE

\$12,000,000
SCHOOL DISTRICT OF MARKESAN
GREEN LAKE, FOND DU LAC, COLUMBIA, MARQUETTE AND DODGE COUNTIES,
WISCONSIN
GENERAL OBLIGATION PROMISSORY NOTES
DATED MARCH 5, 2026 (THE "NOTES")

NOTICE IS HEREBY GIVEN that bids will be received by the School District of Markesan, Green Lake, Fond du Lac, Columbia, Marquette and Dodge Counties, Wisconsin (the "District") for the purchase of all but no part of its Notes electronically via PARITY (as described below) or at the offices of the District's financial advisor, Robert W. Baird & Co. Incorporated, Public Finance Department, 25th Floor, 777 East Wisconsin Avenue, Milwaukee, Wisconsin 53202 ("Baird"), Attention: Natalie Rouse, until 10:00 a.m. (Central Time) on:

February 11, 2026

at which time the bids will be publicly opened and read. Bids may be mailed or delivered to Baird at the address set forth above or submitted electronically via PARITY, as described below. Bid forms are available from Baird upon request. Signed bids, without final price or coupons, may be submitted to Baird prior to the time of sale. The bidder shall be responsible for submitting to Baird the final bid price and coupons, by telephone (414) 765-3827 for inclusion in the submitted bid. Bids which are mailed or delivered should be plainly marked "Bid for School District of Markesan Notes". A meeting of the School Board will be held on said date for the purpose of taking action on such bids as may be received. Bids will only be considered by the School Board if the required good faith deposit has been received in accordance with the requirements set forth below.

Dates and Maturities: The Notes will be dated March 5, 2026 and will mature on March 1 in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount*</u>
2027	\$ 495,000
2028	820,000
2029	860,000
2030	905,000
2031	950,000
2032	1,000,000
2033	1,055,000
2034	1,105,000

* Preliminary, subject to change. The District reserves the right, after bids are opened and prior to the award, to increase or reduce the principal amount of the individual serial maturities of the Notes. Any such increase or reduction will be made in multiples of \$5,000 within any of the maturities. The aggregate principal amount of the Notes will remain the same.

<u>Year</u>	<u>Principal Amount*</u>
2035	\$1,165,000
2036	1,225,000
2037	565,000
2038-2045	--
2046	1,855,000

Interest: Interest on the Notes will be payable semi-annually on March 1 and September 1 of each year, commencing on March 1, 2027 to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day of the calendar month next preceding each interest payment date. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the MSRB.

Optional Redemption: The Notes maturing on March 1, 2035 and thereafter will be subject to redemption prior to maturity, at the option of the District, on March 1, 2034 or on any date thereafter. Said Notes will be redeemable as a whole or in part, and if in part, from maturities selected by the District, and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Term Bonds at Bidder's Option: Bids for the Notes may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above.

Mandatory Redemption: Any term bonds specified shall be subject to mandatory sinking fund redemption in part prior to their scheduled maturity dates on March 1 of certain years, as more fully described in the Dates and Maturities section herein, at a price of par plus accrued interest to the date of redemption.

Security and Purpose: The Notes are general obligations of the District. The principal of and interest on the Notes will be payable from ad valorem taxes, which may be levied without limitation as to rate or amount upon all of the taxable property located in the District. The Notes will be issued for the public purpose of paying the remaining portion of the cost of a school facility improvement project consisting of: construction of an addition and renovations at the Elementary School, including for classrooms, art, music, special education, the library and offices; renovations at the Middle/High School, including for a secure entrance; district-wide capital maintenance, building infrastructure and site improvements; and acquisition of furnishings, fixtures and equipment.

* Preliminary, subject to change. The District reserves the right, after bids are opened and prior to the award, to increase or reduce the principal amount of the individual serial maturities of the Notes. Any such increase or reduction will be made in multiples of \$5,000 within any of the maturities. The aggregate principal amount of the Notes will remain the same.

Registration: The Notes will be issued as fully-registered Notes without coupons and, when issued, will be registered only in the name of CEDE & CO., as nominee for The Depository Trust Company, New York, New York ("DTC").

DTC Book Entry Only System: UTILIZATION OF DTC IS REQUIRED. BIDS FOR THE NOTES MAY NOT PROVIDE FOR THE NOTES TO BE ISSUED ON A NON-DTC BASIS. DTC will act as securities depository of the Notes. A single Note certificate for each maturity will be issued to DTC and immobilized in its custody. Individual purchases may be made in book-entry form only pursuant to the rules and procedures established between DTC and its participants, in the denomination of \$5,000 or any integral multiple thereof. Individual purchasers will not receive certificates evidencing their ownership of the Notes purchased. The successful bidder shall be required to deposit the Note certificates with DTC as a condition to delivery of the Notes. The District will make payments of principal and interest on the Notes to DTC or its nominee as registered owner of the Notes in same-day funds. Transfer of those payments to participants of DTC will be the responsibility of DTC; transfer of the payments to beneficial owners by DTC participants will be the responsibility of such participants and other nominees of beneficial owners all as required by DTC rules and procedures. No assurance can be given by the District that DTC, its participants and other nominees of beneficial owners will make prompt transfer of the payments as required by DTC rules and procedures. The District assumes no liability for failures of DTC, its participants or other nominees to promptly transfer payments to beneficial owners of the Notes.

Depository: In the event that the securities depository relationship with DTC for the Notes is terminated and the District does not appoint a successor depository, the District will prepare, authenticate and deliver, at its expense, fully-registered certificated Notes in the denomination of \$5,000 or any integral multiple thereof in the aggregate principal amount of Notes of the same maturities and with the same interest rate or rates then outstanding to the beneficial owners of the Notes.

Fiscal Agent: The Notes shall be distributed to the owners in fully-registered form in the denomination of \$5,000 or any integral multiple thereof by Associated Trust Company, National Association, Green Bay, Wisconsin, the District's fiscal agent with respect to the Notes (the "Fiscal Agent"). The Notes shall be payable as to interest by check or draft of the Fiscal Agent mailed to the registered owners whose names appear on the books of the Fiscal Agent at the close of business on the 15th day of the calendar month next preceding each interest payment date and as to principal by presentation of the Notes at the office of the Fiscal Agent. The District will pay all costs relating to the registration of the Notes.

Not Qualified Tax-Exempt Obligations: The Notes shall not be "qualified tax-exempt obligations" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Bid Specifications: Bids will be received on an interest rate basis in integral multiples of One-Twentieth (1/20) or One-Eighth (1/8) of One Percent (1%). Any number of rates may be bid, but all Notes of the same maturity shall bear the same interest rate. No bid for less than One Hundred Percent (100%) of the principal amount of the Notes (\$12,000,000) nor more than One

Hundred Five Percent (105%) of the principal amount of the Notes (\$12,600,000) plus accrued interest to the date of delivery will be considered. The Notes will be awarded to a responsible bidder whose proposal results in the lowest true interest cost to the District, as calculated prior to any adjustments as described above.

The underwriter shall be responsible for paying all costs of issuance on behalf of the District. These costs include the financial advisor fee, fiscal agent fee, attorney fees, rating agency fee, and the fees for preparing and printing the Preliminary and Final Official Statement and other miscellaneous expenses of the District incurred in connection with the offering and delivery of the Notes. The total of these costs is \$131,275.

Type of Bid: Bids must be submitted either: (1) to Baird as set forth herein; or (2) electronically via PARITY, in accordance with this Official Notice of Sale, within a one hour period prior to the time of sale, but no bids will be received after the time established above for the opening of bids. If any provisions in this Notice are conflicting with any instructions or directions set forth in PARITY, this Official Notice of Sale shall control. The normal fee for use of PARITY may be obtained from PARITY, and such fee shall be the responsibility of the bidder. For further information about PARITY, potential bidders may contact Baird, 25th Floor, 777 East Wisconsin Avenue, Milwaukee, Wisconsin 53202 or PARITY, c/o i-Deal LLC, 1359 Broadway, 2nd Floor, New York, New York 10018, telephone (212) 849-5021. The District and Baird assume no responsibility or liability for bids submitted through PARITY. Each bidder shall be solely responsible for making necessary arrangements to access PARITY for purposes of submitting its electronic bid in a timely manner and in compliance with the requirements of the Official Notice of Sale. Neither the District, its agents nor PARITY shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the District, its agents nor PARITY shall be responsible for a bidder's failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY. The District is using the services of PARITY solely as a communication mechanism to conduct the electronic bidding for the Notes, and PARITY is not an agent of the District.

The District may regard the electronic transmission of the bid via the electronic service (including information about the purchase price for the Notes and interest rate or rates to be borne by the Notes and any other information included in such transmission) as though the same information were submitted and executed on behalf of the bidder by a duly authorized signatory. If the bid is accepted by the District, the terms of the bid, this Official Notice of Sale, and the information transmitted through the electronic service shall form a contract, and the bidder shall be bound by the terms of such contract.

For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the District, as described in this Official Notice of Sale and in the written form of bid form (if any). All electronic bids shall be deemed to incorporate the provisions of this Official Notice of Sale and the form of bid form (if any).

Good Faith Deposit: A cashier's check in the amount of \$240,000 may be submitted contemporaneously with the bid or, in the alternative, a deposit in the amount of \$240,000 shall be made by the winning bidder by federal wire transfer as directed by the District Clerk or District Treasurer to be received by the District no later than 1:00 p.m. prevailing Central Time on the day of the bid opening (February 11, 2026) as a guarantee of good faith on the part of the bidder to be forfeited as liquidated damages if such bid be accepted and the bidder fails to take up and pay for the Notes. The good faith deposit will be applied to the purchase price of the Notes. In the event the successful bidder fails to honor its accepted bid, the good faith deposit will be retained by the District. No interest shall be allowed on the good faith deposit. Payment for the balance of the purchase price of the Notes shall be made at the closing. Good faith checks of unsuccessful bidders will be returned by overnight delivery for next day receipt sent not later than the first business day following the sale.

Bond Insurance at Bidder's Option: If the Notes qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the successful bidder. Each bidder shall indicate if it is obtaining bond insurance and shall list the name of the bond insurer on the bidder's electronic transmission of the bid or the bid form (if any). Any increased costs of issuance of the Notes resulting from such purchase of insurance shall be paid by the successful bidder. Any other rating agency fees shall be the responsibility of the successful bidder. Failure of the municipal bond insurer to issue the policy after the Notes have been awarded to the successful bidder shall not constitute cause for failure or refusal by the successful bidder to accept delivery on the Notes.

Delivery: The Notes will be delivered in printed form, one Note per maturity, registered in the name of CEDE & CO., as nominee of DTC, securities depository of the Notes for the establishment of book-entry accounts at the direction of the successful bidder, within approximately forty-five (45) days after the award. Payment at the time of delivery must be made in federal or other immediately available funds. In the event delivery is not made within forty-five (45) days after the date of the sale of the Notes, the successful bidder may, prior to tender of the Notes, at its option, be relieved of its obligation under the contract to purchase the Notes and its good faith deposit shall be returned, but no interest shall be allowed thereon.

Legality: The successful bidder will be furnished without cost, the unqualified approving legal opinion of Quarles & Brady LLP of Milwaukee, Wisconsin ("Bond Counsel"). A transcript of the proceedings relative to the issuance of the Notes (including an arbitrage certificate and a no-litigation certificate) will be furnished to the successful bidder without cost. A Continuing Disclosure Certificate will be delivered at closing setting forth the details and terms of the District's undertaking and such Certificate is a condition of closing.

CUSIP Numbers: The District will assume no obligation for the assignment of CUSIP numbers on the Notes or for the correctness of any numbers printed thereon. The District will permit such numbers to be assigned and printed at the expense of the successful bidder, but neither the failure to print such numbers on any Notes nor any error with respect thereto will constitute cause for failure or refusal by the successful bidder to accept delivery of the Notes.

Establishment of Issue Price: (a) The winning bidder shall assist the District in establishing the issue price of the Notes and shall execute and deliver to the District at closing an Underwriter's Certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the District and Bond Counsel. All actions to be taken by the District under this Official Notice of Sale to establish the issue price of the Notes may be taken on behalf of the District by the District's municipal advisor identified herein and any notice or report to be provided to the District may be provided to the District's municipal advisor.

(b) The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "competitive sale requirements") because:

- (1) the District shall disseminate this Official Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the District may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the District anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in the bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the District shall advise the winning bidder of such fact prior to the time of award of the sale of the Notes to the underwriter. In such event, any proposal submitted will not be subject to cancellation or withdrawal and the District agrees to use the rule selected by the underwriter on its bid form to determine the issue price for the Notes. On its bid form, each underwriter must specify one of the following two rules for determining the issue price of the Notes: (1) the first price at which 10% of a maturity of the Notes (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Notes (the "hold-the-offering-price rule"). The form of the Underwriter's Certificate will be modified to reflect compliance with the requirements of the rule selected by the underwriter.

(d) If all of the requirements of a "competitive sale" are not satisfied and the underwriter selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the

underwriter has offered or will offer the Notes to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriter participating in the purchase of the Notes, that the underwriter will neither offer nor sell unsold Notes of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriter has sold at least 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the District when the underwriter has sold 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

The District acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Notes to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The District further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Notes.

(e) If all of the requirements of a "competitive sale" are not satisfied and the underwriter selects the 10% test, the underwriter agrees to promptly report to the District, Bond Counsel and Baird the prices at which the Notes have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to each maturity of the Notes or until all of the Notes of a certain maturity have been sold.

(f) By submitting a bid, each bidder confirms that (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Notes of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has

been satisfied as to the Notes of that maturity or all Notes of that maturity have been sold to the public, and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Notes of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Notes of that maturity or all Notes of that maturity have been sold to the public, and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

(g) Sales of any Notes to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the public),

(iii) a purchaser of any of the Notes is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date that the Notes are awarded by the District to the winning bidder.

Official Statement: Bidders may obtain a copy of the Preliminary Official Statement by request to the District's financial advisor prior to the bid opening. By submitting a bid, the successful bidder agrees to supply to the District within 24 hours after the award of the Notes all

necessary pricing information and any underwriter identification necessary to complete the Preliminary Official Statement. Within seven business days of the award of the Notes, the successful bidder will be provided with an electronic copy of the Official Statement in pdf format. If the successful bidder is the manager of an underwriting syndicate, the successful bidder shall be responsible for distributing copies of the Official Statement and any addenda to syndicate members.

Certification Regarding Official Statement: The District will deliver, at closing, a certificate, executed by appropriate officers of the District acting in their official capacities, to the effect that the facts contained in the Official Statement relating to the District and the Notes are true and correct in all material respects, and that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The District also agrees to notify the successful bidder of any material developments impacting the District or the Notes of which the District becomes aware within 60 days after the delivery of the Notes.

Undertaking to Provide Continuing Disclosure: In order to assist bidders in complying with SEC Rule 15c2-12, as amended, the District will covenant to undertake (pursuant to a Resolution to be adopted by the School Board), to provide annual reports and timely notice of certain events for the benefit of holders of the Notes. The details and terms of the undertaking are set forth in a Continuing Disclosure Certificate to be executed and delivered by the District, a form of which is included in the Preliminary Official Statement and in the Final Official Statement.

Irregularities: The District reserves the right to reject any and all bids and to waive any and all irregularities.

Information: Copies of the Preliminary Official Statement and additional information may be obtained by addressing inquiries to: Robert W. Baird & Co. Incorporated; Attention: Natalie Rouse, (414) 298-2645 or the undersigned.

Timothy Zacharias
Financial Supervisor
School District of Markesan
100 East Vista Blvd.
Markesan, Wisconsin 53946
Phone: (920) 398-2373

Exhibit A
(to Official Notice of Sale)

School District of Markesan, Wisconsin ("District")
\$12,000,000
General Obligation Promissory Notes,
dated March 5, 2026

UNDERWRITER'S CERTIFICATE

The undersigned, on behalf of _____ (the "Underwriter"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Notes").

1. ***Reasonably Expected Initial Offering Price.***

(a) As of the Sale Date, the reasonably expected initial offering prices of the Notes to the Public by the Underwriter are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Notes used by the Underwriter in formulating its bid to purchase the Notes. Attached as Schedule B is a true and correct copy of the bid provided by the Underwriter to purchase the Notes.

(b) The Underwriter was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Underwriter constituted a firm offer to purchase the Notes.

[2. *Bond Insurance.*

(a) The Municipal Bond Insurance Policy (the "Bond Insurance Policy") issued by _____ (the "Bond Insurer") was essential in marketing the Notes at the rates and prices at which they were marketed and the absence of the Bond Insurance Policy would have had a material adverse effect on the interest rates at which the Notes were sold.

(b) In our opinion, the Bond Insurance Premium paid to the Bond Insurer for its Bond Insurance Policy is a reasonable arm's-length charge for the transfer of credit risk which the Bond Insurance Policy represents.

(c) In our opinion, the present value of the Bond Insurance Premium is less than the present value of the interest on the Notes reasonably expected to be saved as a result of the Bond Insurance Policy. In making this determination present values were computed by using the yield on the Notes (determined with regard to the Bond Insurance Premium) as the discount rate.]

____. **Defined Terms.**

(a) "Maturity" means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) "Sale Date" means the first day on which there is a binding contract in writing for the sale of a Maturity of the Notes. The Sale Date of the Notes is February 11, 2026.

(d) "Underwriter" means (i) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Quarles & Brady LLP, Bond Counsel, in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G and other federal income tax advice that it may give to the District from time to time relating to the Notes.

[UNDERWRITER]

By: _____

Name: _____

Dated: March 5, 2026

SCHEDULE A
TO
UNDERWRITER'S CERTIFICATE

EXPECTED OFFERING PRICES

(See Attached)

SCHEDULE B
TO
UNDERWRITER'S CERTIFICATE

COPY OF UNDERWRITER'S BID

(See Attached)