

PRELIMINARY OFFICIAL STATEMENT DATED MARCH 16, 2026

**NEW ISSUE**

Not Bank Qualified

Moody's Rated "Aa2"  
(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.*

**\$45,000,000**  
**WAUWATOSA SCHOOL DISTRICT**  
**Milwaukee County, Wisconsin**  
**General Obligation Promissory Notes**

Dated: April 9, 2026

Due: As shown herein

The \$45,000,000 General Obligation Promissory Notes (the "Notes") will be dated April 9, 2026 and will be in the denomination of \$5,000 each or any multiple thereof. The Notes will mature serially on April 1 of the years 2028 through 2046. Interest shall be payable commencing on October 1, 2026 and semi-annually thereafter on April 1 and October 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 Wauwatosa School District, 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 costs of school building and facility projects consisting of: deferred maintenance and Americans with Disabilities Act (ADA) facilities standards capital projects at Eisenhower, Madison, Roosevelt, Jefferson, and Washington Elementary Schools, and Montessori/Fisher and Americans with Disabilities Act (ADA) facilities standards capital projects at Wauwatosa East and Wauwatosa West High Schools. (See "THE FINANCING PLAN" herein.)

The Notes maturing on April 1, 2035 and thereafter are subject to call and prior redemption, at the option of the District, on April 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:

 BAIRD

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 April 9, 2026.*

**SALE DATE: MARCH 23, 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\*

### \$45,000,000 General Obligation Promissory Notes

Dated: April 9, 2026 Due: April 1, 2028 through 2046 Callable: April 1, 2034

<u>(April 1)</u>	<u>Amount*</u>	<u>Rate</u>	<u>Yield</u>	CUSIP <sup>(1)</sup> Base <u>943517</u>
2028	\$355,000			
2029	125,000			
2030	1,030,000			
2031	260,000			
2032	1,640,000			
2033	325,000			
2034	2,230,000			
2035	415,000			
2036	2,925,000			
2037	470,000			
2038	805,000			
2039	3,360,000			
2040	3,525,000			
2041	3,695,000			
2042	3,860,000			
2043	4,035,000			
2044	4,235,000			
2045	4,450,000			
2046	7,260,000			

\*Preliminary, subject to change.

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**WAUWATOSA SCHOOL DISTRICT  
(Milwaukee County, Wisconsin)**

**SCHOOL BOARD\***

Dr. Lynne Woehrle, President  
Liz Heimerl-Rolland, Vice President  
Jason Wautier, Treasurer  
Heidi Bach, Clerk  
Sarah Burzynski, Member  
Christopher Bauer, Member  
Phillip Morris, Member

**ADMINISTRATION**

Dr. Demond Means, Superintendent  
Dr. Nicole Marble, Chief Academic Officer  
Scot Ecker, Chief Finance and Operations Officer  
Sarah Zelazoski, Chief of Talent  
Jessica Huinker, Director of Finance

**PROFESSIONAL SERVICES**

**School District Attorney:** Buelow Vetter Buikema Olson & Vliet, Waukesha, 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

*\*Dr. Lynne Woehrle, Liz Heimerl-Rolland and Jason Wautier are seeking re-election, and Phillip Morris is not seeking re-election in April 2026.*

## 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 Wauwatosa School District, 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.**

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Appendix B: Form of Continuing Disclosure Certificate

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## SUMMARY

<b>District:</b>	Wauwatosa School District, Milwaukee County, Wisconsin (the "District").
<b>Issue:</b>	\$45,000,000 General Obligation Promissory Notes (the "Notes").
<b>Dated Date:</b>	April 9, 2026.
<b>Interest Due:</b>	Commencing October 1, 2026 and on each April 1 and October 1 thereafter. Interest on the Notes will be computed on the basis of a 30-day month and a 360-day year.
<b>Principal Due:</b>	April 1 of the years 2028 through 2046.
<b>Redemption Provisions:</b>	The Notes maturing on and after April 1, 2035 shall be subject to call and prior payment, at the option of the District, on April 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. 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.)
<b>Security:</b>	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 irrepealable 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.
<b>Purpose:</b>	The proceeds from the sale of the Notes will be used for the public purpose of paying the remaining portion of the costs of school building and facility projects consisting of: deferred maintenance and Americans with Disabilities Act (ADA) facilities standards capital projects at Eisenhower, Madison, Roosevelt, Jefferson, and Washington Elementary Schools, and Montessori/Fisher and Americans with Disabilities Act (ADA) facilities standards capital projects at Wauwatosa East and Wauwatosa West High Schools. (See "THE FINANCING PLAN" herein.)
<b>Tax Status:</b>	Interest on the Notes is excludable from gross income for federal income tax purposes. (See "TAX EXEMPTION" herein.)
<b>Credit Rating:</b>	This issue has been assigned a "Aa2" rating by Moody's Investor's Service Inc. (See "RATING" herein.)
<b>No Bank Qualification:</b>	The Notes shall NOT be "qualified tax-exempt obligations".
<b>Bond Years:</b>	668,065.00 years.
<b>Average Life:</b>	14.846 years.
<b>Record Date:</b>	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 Wauwatosa School District, Wisconsin (the "District" and the "State" respectively) in connection with the sale of the District's \$45,000,000 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 \$60,000,000 for the public purpose of paying the costs of school building and facility projects consisting of: deferred maintenance and Americans with Disabilities Act (ADA) facilities standards capital projects at Eisenhower, Madison, Roosevelt, Jefferson, and Washington Elementary Schools, and Montessori/Fisher and Americans with Disabilities Act (ADA) facilities standards capital projects at Wauwatosa East and Wauwatosa West High Schools (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 March 18, 2025, the District awarded the sale of \$15,000,000 General Obligation Promissory Notes, dated April 8, 2025 (the "2025 Notes"), to provide financing for a portion of the cost of the Project. The 2025 Notes are callable at par on April 1, 2033 or any date thereafter.

The proceeds from the sale of the Notes will be used to provide financing for the remaining \$45,000,000 portion of the cost of the Project.

## REDEMPTION PROVISIONS

### **Optional Redemption**

The Notes maturing on April 1, 2035 and thereafter are subject to call and prior redemption, at the option of the District, on April 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 April 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\*

<b>Sources of Funds</b>	
Par Amount of Notes	\$45,000,000.00
Reoffering Premium	3,064,385.50
Total Sources of Funds:	<u>\$48,064,385.50</u>
<b>Uses of Funds</b>	
Deposit to Project Construction Fund	\$45,000,000.00
Bid Premium for Deposit to Debt Service Fund	2,439,310.50
Costs of Issuance (Including Underwriter's Discount)	625,075.00
Total Uses of Funds:	<u>\$48,064,385.50</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 twenty 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 ten years and no later than twenty 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, ratifying and reaffirming its action on June 17, 2024 (the "Initial Resolution"), the Board authorized the issuance of general obligation bonds in an amount not to exceed \$60,000,000 for the public purpose of paying the cost of the Project.

By way of a resolution adopted on June 17, 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 18,096 votes were cast "Yes" for approval of the Initial Resolution and 12,890 votes were cast "No" for rejection of the Initial Resolution.

By way of a resolution adopted on March 18, 2025, the Board awarded the sale of the 2025 Notes to provide financing for a portion of the cost of the Project.

### **The Award Resolution**

By way of a resolution to be adopted on March 23, 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 the 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 2026 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 seven 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 Superintendent to conduct the affairs and programs of the District.

Unified school districts hold an annual public hearing prior to adopting the budget for the ensuing year. The Board shall present at the public hearing a full, itemized written report. The report shall state all receipts and expenditures of the District since the last public hearing, 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 Superintendent, and purchase school equipment.

### The Board

<u>Name</u>	<u>Expiration of Term</u>
Dr. Lynne Woehrle, President	April, 2026*
Liz Heimerl-Rolland, Vice President	April, 2026*
Jason Wautier, Treasurer	April, 2026*
Heidi Bach, Clerk	April, 2028
Sarah Burzynski, Member	April, 2028
Christopher Bauer, Member	April, 2028
Phillip Morris, Member	April, 2026*

*\*Dr. Lynne Woehrle, Liz Heimerl-Rolland and Jason Wautier are seeking re-election, and Phillip Morris is not seeking re-election in April 2026.*

Source: *The District.*

### Administration

<u>Name</u>	<u>Title</u>	<u>Years of Service</u>
Dr. Demond Means	Superintendent	4
Dr. Nicole Marble	Chief Academic Officer	9
Scot Ecker	Chief Finance and Operations Officer	2*
Sarah Zelazoski	Chief of Talent	3
Jessica Huinker	Director of Finance	2*

*\*Mr. Ecker was previously a Senior Advisor at Frontline Education and Ms. Huinker was previously the Controller for the School District of Waukesha.*

Source: *The District.*

**District Facilities**

<u>Facility</u>	<u>Year of Original Construction/Additions/Renovation</u>
Eisenhower Elementary	1967
Jefferson Elementary	1959
Lincoln Elementary	1919/1959/2019
Madison Elementary	1957/1975
McKinley Elementary	1929/1949/1951/1993/2019
Roosevelt Elementary	1929/1945/1947/1993
Underwood Elementary	1938/1945/1951/1953/1958/1965/2019
Washington Elementary	1921/1924/1926/1993
Wilson Elementary/Wauwatosa STEM School <sup>(1)</sup>	1924/1930/1954/1977/2017/2019
Longfellow Middle	1955
Whitman Middle	1959
East High	1928/1930/1938/1939/1940/1960/1972
West High	1970
Fisher Administration/Montessori <sup>(2)</sup>	1957/2012

<sup>(1)</sup>The Wauwatosa STEM School, a charter school, opened in 2017 and is located in the Wilson Elementary school building. The District announced in January 2025 it would not renew the school’s contract. The Wauwatosa STEM School will no longer be part of the District at the end of the 2025-26 school year, and students may transfer to Wilson Elementary School or their respective boundary schools. Wauwatosa STEM School has announced that it will become an independent charter school authorized by the University of Wisconsin – Parkside beginning in the 2026-27 school year.

<sup>(2)</sup>The Montessori School opened in 2012 and is located in the Fisher Administration building.

Source: The District.

**School Enrollments\***

<u>Year</u>	<u>Pre-K through 12<sup>th</sup> Grade Total**</u>
2021-22	5,857
2022-23	5,939
2023-24	5,993
2024-25	5,843
2025-26	5,903
2026-27***	5,896
2027-28***	5,896
2028-29***	5,896
2029-30***	5,896
2030-31***	5,896

\*Enrollment includes Vel Phillips and Children’s Hospital Schools. The District operates but does not own these facilities.

\*\*Full-Time Equivalent (“FTE”).

\*\*\* Projected enrollments reflect the District’s projection of flat enrollment based on consideration of the cohort survival method and the taking into account the Wauwatosa STEM School’s departure from the District.

Source: The District.

**Employment Relations**

<u>Department</u>	<u>Number of Employees*</u>
Teachers	636
Administration/Principals	69
Technical Aides	119
Administrative Assistants	43
Custodians/Maintenance	30
Food Service	3
Interventionists/High School Student Supervisors	10
TOTAL	<u>910</u>

\*Headcount.

Source: The District.

**Labor Contracts**

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

<u>Organization</u>	<u>Employee Group Represented</u>	<u>Contract Expiration*</u>
Wauwatosa Education Association	Teachers and other professional staff	June 30, 2026

\*Contract may cover base wages only.

The District considers its relationship with the employees to be very good.

Source: The District.

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<sup>(1)</sup>.

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.

<sup>(1)</sup>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.

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 an Employee Handbook which sets forth policies, procedures and benefits for employees of the nature that were previously set forth in labor contracts. The Employee Handbook's 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.

### **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 \$3,000,475, \$3,668,127 and \$4,175,344, 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 \$4,475,152 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 0.272349% 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 4 in "Appendix A – Basic Financial Statements and Related Notes for the year ended June 30, 2025" attached hereto.

### **Supplemental Pension Benefits**

The District provides supplemental pension benefits to eligible administrators who have terminated their employment with the District and have satisfied specified eligibility standards through a single-employer defined benefit plan. Membership of the plan consisted of six retirees receiving benefits and no active eligible plan members as of June 30, 2025, the date of the latest actuarial valuation.

Pension benefit calculations are required to be updated every two years and be prepared in accordance with GASB 68 and Statements No. 67 and No. 73 of the Governmental Accounting Standards Board. An actuarial study for the plan was most recently completed MWM Consulting Group (the "Actuary") in March 2026 with an actuarial valuation date of June 30, 2025.

For Fiscal Year 2025, benefit payments for the plan totaled \$63,200. 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.

As of June 30, 2025, the plan's total pension liability was \$140,276 and the plan fiduciary net position was \$0, resulting in a net pension liability of \$140,276.

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. For more detailed information regarding such actuarial assumptions, see Note 4 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. Membership of the plan consisted of 479 retirees receiving benefits and 785 active eligible plan members as of June 30, 2025, 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 the Actuary in March 2026 with an actuarial valuation date of June 30, 2025.

For Fiscal Year 2025, benefit payments for the plan totaled \$2,339,330. 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.

As of June 30, 2025, the plan's total OPEB liability was \$37,265,532 and the plan fiduciary net position was \$0, resulting in a net OPEB liability of \$37,265,532.

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 4 in "Appendix A - Basic Financial Statements and Related Notes for the year ended June 30, 2025" attached hereto.

## **GENERAL INFORMATION**

### **Location**

The District is located in Milwaukee County, and rests entirely within the corporate limits of the City of Wauwatosa (the "City"), a residential suburb of Milwaukee. The District and City comprise an area of approximately 13 square miles, just west of the City of Milwaukee.

**Education**

The District’s schools currently include nine elementary schools for grades Pre-K through 5, one Wauwatosa STEM School for grades K through 6, which will be leaving the District following this school year (see “THE DISTRICT – District Facilities” above), one Montessori school for grades Pre-K through 8, two middle schools for grades 6 through 8 and two high schools for grades 9 through 12. The District also operates the Vel Phillips and Children’s Hospital Schools as well as a Virtual Charter School. Enrollment for the 2025-26 school year is 5,903 FTE students. The District’s 2024 estimated population is 47,627\*. The District has 910 employees.

\*Source: U.S. Census Bureau.

**Post Secondary Education**

Higher education can be obtained at the University of Wisconsin – Milwaukee, and various other colleges located within the Milwaukee metropolitan area. Milwaukee Area Technical College District, a two-year technical college and many others are within commuting distance, including Marquette University, Concordia University Wisconsin, Mount Mary University, Alverno College and Carroll University.

**DEMOGRAPHIC AND ECONOMIC INFORMATION**

**Population**

	<u>The District</u>	<u>Milwaukee County</u>	<u>City of Wauwatosa</u>
Estimate, 2025	(1)	945,292	49,589
Estimate, 2024	47,627	941,139	49,363
Estimate, 2023	47,188	937,259	48,836
Estimate, 2022	47,314	939,487	48,638
Census, 2020	48,387	939,489	48,387

(1) 2025 data is not yet available.

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

**Adjusted Gross Income Per Tax Return**

	<u>State of Wisconsin</u>	<u>Milwaukee County</u>	<u>City of Wauwatosa</u>
2024	\$76,638	\$68,473	\$109,649
2023	73,001	65,614	104,600
2022	70,548	63,901	98,829
2021	66,369	57,444	95,512
2020	61,518	52,751	87,379

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

## Unemployment Rate

	State of Wisconsin	Milwaukee County	City of Wauwatosa
December, 2025 <sup>(1)</sup>	3.0%	3.5%	2.7%
December, 2024	2.9	3.4	2.4
Average, 2024 <sup>(1)</sup>	3.0%	3.7%	2.7%
Average, 2023	2.8	3.5	2.5
Average, 2022	2.8	3.5	2.5
Average, 2021	3.8	5.3	3.3
Average, 2020	6.4	8.3	6.2

<sup>(1)</sup>Preliminary.

Source: Wisconsin Department of Workforce Development.

## Residential Building Permit Valuations

Year	City Wauwatosa	
	Number	Valuation
2025 <sup>(1)</sup>	2	\$1,299,700
2024	1	1,740,985
2023	2	975,000
2022	2	614,616
2021	1	250,000

<sup>(1)</sup>As of December 2025.

Source: U.S. Census Bureau.

## Largest Employers

The largest employers in the District are listed below.

Employer	Type of Business	Number of Employees
Milwaukee Regional Medical Center	Medical facilities, education and research	19,000
The District	Education	910
Briggs & Stratton Corporation	Small engine manufacturer	800 <sup>(1)</sup>
Harley-Davidson Inc. ("Harley")	Motorcycle manufacturer	650 <sup>(2)</sup>
St. Camillus Health System	Nursing homes, assisted living	555
City of Wauwatosa	Municipal government	473 <sup>(3)</sup>
Luther Manor, A Life Plan Community	Nursing home; assisted living	350
Bostik, Inc.	Adhesives manufacturer/company headquarters	270
Zywave	Custom software programming	204
Grede, Inc.	Foundry-ductile iron castings	200

<sup>(1)</sup> Includes locations in the Milwaukee metropolitan area. Briggs & Stratton Corporation previously announced plans to cease its production lines in the City, which phase-out has now begun, including the sale of the plant to a third party. In fall 2022, the company ceased lawn tractor and snow thrower production in the City. In January 2023, the company announced it would shut down two production lines at the plant in the City and lay off 160 employees by early 2024. In March 2024, the company confirmed additional workforce reductions but did not specify the number of employees, functions or locations. It is unknown how many employees remain in the location in the City.

<sup>(2)</sup> Harley-Davidson Inc. local employee count is 2,280 at its Milwaukee-area locations. In March 2024, it was announced that employees in Harley's location in the City's product development center would move to Milwaukee. R&D employees remain in the location in the City, but it is unknown how many employees remain in Harley's location in the City.

<sup>(3)</sup> Rounded from 473.21 FTE.

Source: The District and City of Wauwatosa official statement dated October 7, 2025.

**Largest Taxpayers**

Name	Type of Property	2025 Assessed Valuation	2025 Equalized Valuation
Mayfair Mall <sup>(1)</sup>	Mayfair shopping center	\$344,263,800	\$341,870,705
Children's Hospital Wisconsin <sup>(2)</sup>	Hospital, clinics and medical office buildings	295,060,800	293,009,732
Froedtert Health & ThedaCare <sup>(2)</sup>	Hospital, clinics and medical office buildings	238,184,100	236,528,401
Milwaukee Regional Medical Center Thermal Services	Steam and chilled water thermal plant	205,000,000	203,574,975
Irgens Development Partners	Office buildings	155,244,200	154,165,045
HSA Commercial Real Estate	Mayfair Collection shopping center	143,499,200	142,501,688
H S I	State Street Station, apartment complexes	140,217,800	139,243,098
Phoenix Wauwatosa Investors	Industrial buildings	101,885,000	101,176,763
Wheaton Franciscan Healthcare <sup>(2)</sup>	Medical office buildings and clinics	95,775,900	95,110,129
Bel Marquette I LLC	Office building	71,370,400	70,874,280
TOTAL		<u>\$1,790,501,200</u>	<u>\$1,778,054,816</u>

*(1)Assessment under appeal by taxpayer. The City has been involved in litigation with General Growth Properties, the owner of Mayfair Mall, involving a dispute over the taxable value of Mayfair Mall of approximately \$100,000,000 over several years.*

*Following a trial and a reconsideration of certain issues, the matter involving the years 2013 to 2015 recently concluded with a finding in favor of the City, and the appeal window is closed. Similar disputes regarding the taxable value of Mayfair Mall for the years 2016 through 2024 have been stayed pending the outcome of the appeal and are currently being addressed by the courts. The City is currently in discussion in which Mayfair Mall may voluntarily dismiss their claims for refund for some of the earlier tax years and litigation will likely ultimately focus on claims for the later tax years, 2020 to 2024.*

*(2)Significant property value for certain medical campus taxpayers became taxable upon the sale of land from the County to the individual taxpayers in April 2020. These taxpayers are disputing the taxability of all, or significant portions, of their taxable value. The City and Froedtert reached a settlement in June 2025, and the City will refund Froedtert \$10 million related to property taxes for the years 2021 through 2024. The City expects to recoup approximately 70% of such amount from other taxing jurisdictions in 2026. The District's portion of such amount is \$3,502,031, which the District paid by its February 15, 2026 due date out of available funds on hand. The District expects to levy to replenish for such amounts in 2026 for collection in 2027. At its March 23, 2026 meeting, the Board expects to consider the need for any temporary borrowing before such amounts are able to be replenished through the District's levy.*

The above taxpayers represent 17.57% of the District's 2025 Equalized Value (TID IN) (\$10,122,294,400).

Source: City of Wauwatosa.

**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 <sup>th</sup> of Each Year	Percent of Levy Collected
2025	2026	\$8.56	\$81,259,539	-In process of collection-	
2024	2025	6.24	60,500,649	-0-	100.00%
2023	2024	6.68	60,500,649	-0-	100.00
2022	2023	6.92	58,955,626	-0-	100.00
2021	2022	7.99	57,033,649	-0-	100.00

Source: Wisconsin Department of Public Instruction.

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

Municipality	2025 Equalized Valuation (TID OUT)	Percent of Levy	Amount of Levy
City of Wauwatosa	\$9,492,444,900	100%	\$81,259,539
TOTAL	\$9,492,444,900	100%	\$81,259,539

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 34.14 percent since 2021 with an average annual increase of 7.62 percent.

Year	Equalized Valuation (TID IN)	Equalized Valuation (TID OUT)
2025	\$10,122,294,400	\$9,492,444,900
2024	10,284,774,700	9,689,981,800
2023	9,618,350,900	9,058,010,700
2022	9,006,577,400	8,519,107,200
2021	7,545,981,900	7,139,586,600

Source: Wisconsin Department of Revenue.

**Tax Increment Districts**

The City of Wauwatosa has created Tax Increment Districts ("TIDs") under Wisconsin Statutes 66.1105. TID valuations totaling \$629,849,500 have been excluded from the District's tax base for 2025.

<u>TID #</u>	<u>Base Year</u>	<u>Base Value</u>	<u>2025 Value</u>	<u>Increment</u>
6	2010	\$26,768,400	\$137,375,400	\$110,607,000
7	2013	20,811,900	214,740,400	193,928,500
8	2014	21,009,000	122,248,900	101,239,900
9	2015	4,878,000	30,808,800	25,930,800
10	2015	3,911,600	55,005,400	51,093,800
11	2015	10,779,000	81,773,400	70,994,400
12	2018	31,990,100	70,356,000	38,365,900
13	2020	2,985,200	40,035,700	37,050,500
14	2022	2,932,500	3,035,100	102,600
15	2023	16,950,900	17,487,000	536,100
			TOTAL	<u><u>\$629,849,500</u></u>

Source: Wisconsin Department of Revenue.

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## INDEBTEDNESS OF THE DISTRICT

### Direct Indebtedness

Set forth below is the direct general obligation indebtedness of the District, including principal and interest payments due on existing debt, as well as debt service on the Notes. Interest on the Notes has been estimated using an average rate of 5.00 percent. The bond years are 668,065.00 years and the average life is 14.846 years.

Year	Outstanding Bonds and Notes		The Notes		Total Debt Service Requirements*
	Principal	Interest	Principal*	Interest*	
2026	\$5,880,000	\$3,869,563		\$1,075,000	\$10,824,563
2027	6,025,000	3,424,938		2,250,000	11,699,938
2028	5,825,000	3,274,313	\$355,000	2,241,125	11,695,438
2029	6,525,000	2,819,938	125,000	2,229,125	11,699,063
2030	5,810,000	2,656,813	1,030,000	2,200,250	11,697,063
2031	6,925,000	2,344,013	260,000	2,168,000	11,697,013
2032	5,730,000	2,205,513	1,640,000	2,120,500	11,696,013
2033	7,425,000	1,877,950	325,000	2,071,375	11,699,325
2034	5,730,000	1,729,450	2,230,000	2,007,500	11,696,950
2035	7,925,000	1,414,444	415,000	1,941,375	11,695,819
2036	5,630,000	1,285,663	2,925,000	1,857,875	11,698,538
2037	8,500,000	952,213	470,000	1,773,000	11,695,213
2038	4,090,000	808,775	805,000	1,741,125	7,444,900
2039	1,825,000	620,000	3,360,000	1,637,000	7,442,000
2040	1,925,000	526,250	3,525,000	1,464,875	7,441,125
2041	2,030,000	434,988	3,695,000	1,284,375	7,444,363
2042	2,140,000	346,375	3,860,000	1,095,500	7,441,875
2043	2,255,000	252,981	4,035,000	898,125	7,441,106
2044	2,360,000	154,913	4,235,000	691,375	7,441,288
2045	2,465,000	52,381	4,450,000	474,250	7,441,631
2046	0	0	7,260,000	181,500	7,441,500
	97,020,000	31,051,469	45,000,000	33,403,250	206,474,719
Less 2026 Payments	(5,880,000)	(3,869,563)	0	(1,075,000)	(10,824,563)
<b>TOTAL</b>	<b>\$91,140,000</b>	<b>\$27,181,906</b>	<b>\$45,000,000</b>	<b>\$32,328,250</b>	<b>\$195,650,156</b>

\*Preliminary, subject to change.

### Other Financings

The District has borrowed for short-term cash flow purposes in the past five fiscal years as shown below:

Amount	Fiscal Year
\$16,165,000	2025-26
6,943,994*	2024-25

\*The District established a \$10,000,000 line of credit in November 2024. The amount shown above is the actual cumulative amount of draws for the fiscal year ended June 30, 2025.

The District expects to continue to borrow for short-term cash flow purposes in the future as needed.

### Future Financing

The District may consider the need for a temporary borrowing related to the recent tax refund payment (see "DEMOGRAPHIC AND ECONOMIC INFORMATION – Largest Taxpayers" above). Other than the preceding, over the next twelve months, the District currently does not intend to issue any additional general obligation debt.

### **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>
Milwaukee Area Technical College District <sup>(1)</sup>	\$76,210,000	7.63%	\$5,814,823
Milwaukee County	336,580,000	9.56	32,177,048
Milwaukee Metro. Sewerage District	964,960,654	9.74	93,987,168
City of Wauwatosa	132,145,000	100.00	132,145,000
TOTAL	<u>\$1,509,895,654</u>		<u>\$264,124,039</u>

<sup>(1)</sup>Milwaukee Area Technical College District anticipates issuing approximately \$1,500,000 General Obligation Promissory Notes, Series 2025-26J to be dated April 15, 2026. This amount is included in the table above. For planning purposes, MATC intends to borrow \$44 million annually. This amount is a preliminary and is subject to change without notice and is not included in the figure shown above.

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](http://EMMA.msrb.org).

### **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	\$10,122,294,400
Direct Bonded Indebtedness Including the Notes	\$136,140,000
Direct, Overlapping and Underlying Bonded Indebtedness Including the Notes	\$400,264,039
Direct Bonded Indebtedness as a Percentage of Equalized Valuation	1.34%
Direct, Overlapping and Underlying Bonded Indebtedness as a Percentage of Equalized Valuation	3.95%
Population of District (2024 Estimate)*	47,627
Direct Bonded Indebtedness Per Capita	\$2,858.46
Direct, Overlapping and Underlying Bonded Indebtedness Per Capita	\$8,404.14.

\*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	\$10,122,294,400
Legal Debt Percentage Allowed	<u>10.00%</u>
Legal Debt Limit	\$1,012,229,440
Direct Bonded Indebtedness Outstanding Including the Notes	<u>\$142,020,000</u>
Unused Margin of Indebtedness	\$870,209,440
Percent of Legal Debt Incurred	14.03%
Percentage of Legal Debt Available	85.97%

*\*Preliminary, subject to change.*

**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. 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.

**GENERAL FUND SUMMARY  
FOR YEARS ENDED JUNE 30<sup>(1)</sup>**

	2026 <u>BUDGET<sup>(2)</sup></u>	2025 <u>ACTUAL</u>	2024 <u>ACTUAL</u>	2023 <u>ACTUAL</u>	2022 <u>ACTUAL</u>
<b>Revenues</b>					
Local Sources	\$70,905,388	\$51,097,694	\$52,948,141	\$45,575,954	\$47,104,556
Interdistrict Sources	9,581,744	10,463,271	10,307,707	10,403,024	11,272,162
Intermediate Sources	40,000	74,083	143,353	17,941	52,403
State Sources	33,412,304	34,958,671	28,572,764	31,096,844	29,772,091
Federal Sources	3,172,636	4,455,229	6,558,373	4,603,443	4,466,431
Other	90,000	138,011	582,854	471,139	739,157
<b>Total Revenues</b>	<u>117,202,072</u>	<u>101,186,959</u>	<u>99,113,192</u>	<u>92,168,345</u>	<u>93,406,800</u>
<b>Expenditures</b>					
Instruction	63,087,064	60,234,518	62,319,004	52,063,515	50,660,093
Support Service	47,282,587	43,053,565	44,439,615	38,677,051	31,497,182
Non-Program	6,642,402	6,983,627	7,668,009	7,145,813	5,528,309
Debt Service	0	131,973	0	0	0
<b>Total Expenditures</b>	<u>117,012,053</u>	<u>110,403,683</u>	<u>114,426,628</u>	<u>97,886,379</u>	<u>87,685,584</u>
<b>Excess of Revenues Over (Under)</b>					
Expenditures	<u>190,019</u>	<u>(9,216,724)</u>	<u>(15,313,436)</u>	<u>(5,718,034)</u>	<u>5,721,216</u>
<b>Other Financing Sources (Uses)</b>					
Proceeds from Sale of Fixed Assets	0	0	32,925	21,832	8,290
Disposal of Capital Assets	<u>0</u>	<u>6,574</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Other Financing Sources (Uses)</b>	<u>0</u>	<u>6,574</u>	<u>32,925</u>	<u>21,832</u>	<u>8,290</u>
<b>Excess of Revenues and Other Sources</b>					
Over (Under) Expenditures and Other Uses <sup>(3)</sup>	190,019	(9,210,150)	(15,280,511)	(5,696,202)	5,729,506
<b>Fund Balances - Beginning of Year</b>	<u>11,259,193</u>	<u>20,469,343</u>	<u>35,749,854</u>	<u>41,446,056</u>	<u>35,716,550</u>
<b>Fund Balances - End of Year</b>	<u>\$11,449,212</u>	<u>\$11,259,193</u>	<u>\$20,469,343</u>	<u>\$35,749,854</u>	<u>\$41,446,056</u>

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

<sup>(2)</sup>The budget did not include the recent tax refund that the District paid out of fund balance (see "DEMOGRAPHIC AND ECONOMIC INFORMATION – Largest Taxpayers" above). The District expects to replenish such amount through its levy for collection in 2027.

<sup>(3)</sup>The recent reduction in fund balance is a result of a plan approved by the Board in order to fill vacancies, maintain staff and provide needed maintenance to buildings. The District's fund balance policy provides that the target fund balance range is 15-30% of the preceding year's Fund 10 expenditures. On November 5, 2024, voters in the District approved a referendum allowing the District to exceed the revenue limit (see "REVENUE LIMITS ON WISCONSIN SCHOOL DISTRICTS" herein) by \$16.1 million per year for the fiscal years 2025-26 through 2029-30, which will allow the District to begin rebuilding the general fund balance to meet its target fund balance range.

The amounts shown for the fiscal years ended June 30, 2022 through June 30, 2024 are excerpts from audit reports which have been prepared by Schumacher Sama, LLP, Certified Public Accountants, Wauwatosa, Wisconsin and the amounts shown for the fiscal year ended June 30, 2025 are excerpts from the audit report which has been prepared by Lauterbach & Amen, LLP, Naperville, Illinois (the "Auditor"). The amounts shown for the 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"). 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 April 9, 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. In connection with this offering, the Underwriter may over allocate or effect transactions which stabilize or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

## **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 an "Aa2" rating by Moody's Investors Service, Inc. The District's long-term general obligation debt rating has been downgraded from an "Aa1" to an "Aa2" by Moody's. 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 to be 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 30<sup>th</sup>.** 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](http://www.emma.msrb.org).

In the previous five years, the District has not failed to comply in all material respects with any previous undertakings under the Rule.

## 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](http://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.

**WAUWATOSA SCHOOL DISTRICT**

By /s/ \_\_\_\_\_  
District Clerk

## **APPENDIX A**

### **BASIC FINANCIAL STATEMENTS AND RELATED NOTES**

### **WAUWATOSA SCHOOL DISTRICT MILWAUKEE COUNTY, WISCONSIN**

**For Year Ended June 30, 2025**

**Lauterbach & Amen, LLP  
Naperville, Illinois**

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.

WAUWATOSA SCHOOL DISTRICT,  
WISCONSIN

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ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
JUNE 30, 2025

12121 West North Avenue  
Wauwatosa, Wisconsin 53226  
Phone: 414.773.1072  
[www.wauwatosa.k12.wi.us](http://www.wauwatosa.k12.wi.us)

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

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**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

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## **FINANCIAL SECTION**

This section includes:

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information
- Supplemental Schedules

## **INDEPENDENT AUDITOR'S REPORT**

This section includes the opinion of the District's independent auditing firm.



February 19, 2026

Members of the Board of Education  
Wauwatosa School District  
Wauwatosa, Wisconsin

## **Report on the Audit of the Financial Statements**

### *Opinion*

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Wauwatosa School District, Wisconsin, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Management is responsible for the preparation and fair presentation of 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management discussion and analysis, budgetary comparison schedules, and supplementary pension and other post-employment benefit (OPEB) schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not 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.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Wauwatosa School District, Wisconsin's basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 19, 2026, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Lauterbach & Amen, LLP*

LAUTERBACH & AMEN, LLP

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

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Management's Discussion and Analysis

June 30, 2025

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The discussion and analysis of Wauwatosa School District's (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2025. Please read it in conjunction with the District's financial statements, which can be found in the basic financial statements section of this report.

### FINANCIAL HIGHLIGHTS

- The District's assets and deferred outflows exceeded its liabilities and deferred inflows at June 30, 2025 by \$31,090,728. Of this amount, a deficit \$28,944,934 was unrestricted net position.
- During the year, government-wide revenues for the primary government totaled \$118,405,871, while expenses totaled \$131,575,698, resulting in a decrease to net position of deficit \$13,169,827, or 29.8 percent from June 30, 2024.
- The District's combined fund balances at June 30, 2025 were \$36,088,175, a decrease from the prior year of \$2,847,181.
- Revenues for the year were \$118,405,871, as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances. Property tax revenues were 41.8 percent of the total revenues of the District. Expenditures for the year were \$136,259,626. Instruction and support services were 81.5 percent of the total expenditures.
- The District has \$137,657,779 in capital assets and \$97,307,000 outstanding long-term debt.

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the government.

#### Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the District's finances, in a matter similar to a private-sector business.

The Statement of Net Position reports information on all of the District's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the District's property tax base and the condition of the District's infrastructure, is needed to assess the overall health of the District.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Management's Discussion and Analysis

June 30, 2025

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### USING THIS ANNUAL REPORT - Continued

#### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District maintains only governmental funds.

#### Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, and Capital Projects Fund which are considered major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for all of the governmental funds, except the Capital Projects Fund. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

#### Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

#### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's pension obligations, post-employment retirement benefit obligations and budgetary comparison schedules for the General Fund and major special revenue funds. The combining statements referred to earlier in connection with nonmajor governmental funds is presented immediately following the required supplementary information on pensions.

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Management's Discussion and Analysis

June 30, 2025

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the District, assets/deferred outflows exceeded liabilities/deferred inflows by \$31,090,728.

	Net Position	
	2025	2024
Current Assets	\$ 49,840,870	55,004,201
Capital Assets	137,657,779	143,832,121
Total Assets	187,498,649	198,836,322
Deferred Outflows	25,527,017	35,364,693
Total Assets/Deferred Outflows	213,025,666	234,201,015
Long-Term Debt	140,198,173	128,397,440
Other Liabilities	18,064,025	30,277,623
Total Liabilities	158,262,198	158,675,063
Deferred Inflows	23,672,740	31,265,397
Total Liabilities/Deferred Inflows	181,934,938	189,940,460
Net Position		
Net Investment in Capital Assets	51,058,152	45,645,767
Restricted	8,977,510	27,402,043
Unrestricted (Deficit)	(28,944,934)	(28,787,255)
Total Net Position	31,090,728	44,260,555

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Management's Discussion and Analysis**

**June 30, 2025**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

A large portion of the District's net position, \$51,058,152, reflects its investment in capital assets (for example, sites, construction in progress, buildings and improvements, equipment, and leased assets), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$8,977,510, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining deficit \$28,944,934, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

	Change in Net Position	
	2025	2024
Revenues		
Program Revenues		
Charges for Services	\$ 16,417,649	5,469,825
Operating Grants/Contributions	14,988,666	22,626,156
General Revenues		
Property Taxes	60,500,649	60,500,649
General State Aid	25,399,023	24,154,652
Other General Revenues	1,099,884	1,820,808
Total Revenues	<u>118,405,871</u>	<u>114,572,090</u>
Expenses		
Instruction	64,044,234	71,019,663
Support Services	55,061,548	56,240,271
Community Services	2,286,091	2,290,631
Nonprogram Transactions	7,048,325	—
Interest on Long-Term Debt	3,135,500	—
Total Expenses	<u>131,575,698</u>	<u>129,550,565</u>
Change in Net Position	(13,169,827)	(14,978,475)
Net Position - Beginning	<u>44,260,555</u>	<u>59,239,030</u>
Net Position - Ending	<u><u>31,090,728</u></u>	<u><u>44,260,555</u></u>

Net position of the District's governmental activities decreased by \$13,169,827 (\$31,090,728 in 2025 compared to \$44,260,555 in 2024). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled a deficit \$28,944,934 at June 30, 2025.

Management's Discussion and Analysis

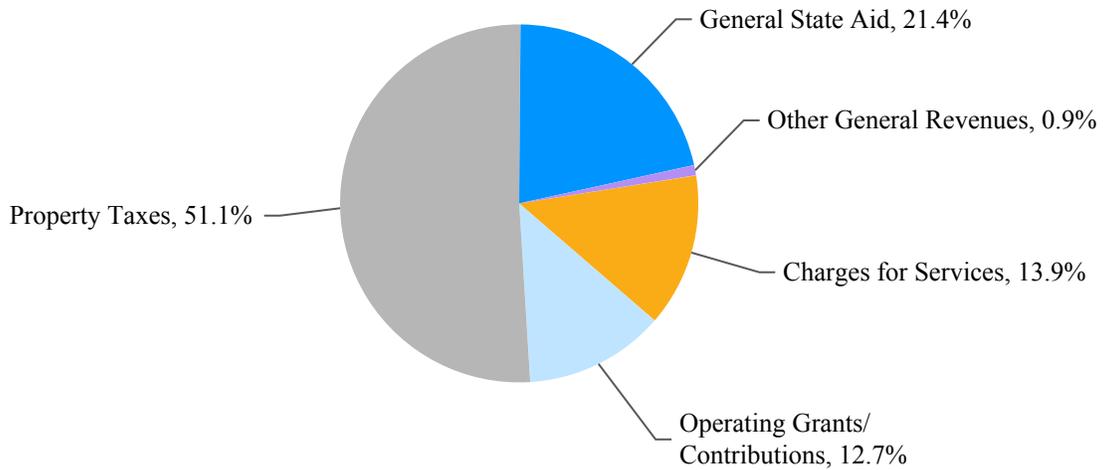
June 30, 2025

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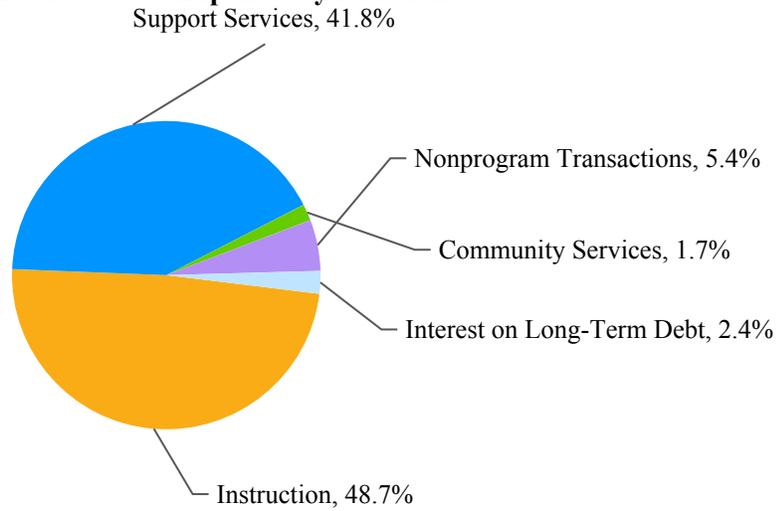
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GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

**District-Wide Revenues by Source**



**District-Wide Expenses by Function**



Revenues for governmental activities totaled \$118,405,871, while the cost of all governmental functions totaled \$131,575,698. This results in a decrease of \$13,169,827. In 2024, revenues of \$114,572,090 fell short of expenses of \$129,550,565, resulting in a decrease of \$14,978,475. The decrease in the current year was less than that of the prior year due to better budgeting and reduction in staff to better align with our projected revenues.

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Management's Discussion and Analysis

June 30, 2025

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### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The District's governmental funds reported combining ending fund balances of \$36,088,175, which is a decrease of \$2,847,181, or 7.3%, from last year's total of \$38,935,356. Of the \$36,088,175 total, \$10,827,363, or 30.0%, of the fund balance constitutes unassigned fund balance.

The General Fund is the chief operating fund of the District. At June 30, 2025, unassigned fund balance in the General Fund was \$10,827,363, which represents 96.16 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 10.2 percent of total General Fund expenditures.

The fund balance in the General Fund at year-end was \$11,259,193, while the previous fiscal year reported a fund balance of \$20,469,343. This is a decrease of \$9,210,150, or 45.0 percent. The decrease is a result of a budgeted deficit, demonstrating the need for an operating referendum which then passed on November 5, 2024.

The fund balance in the Debt Service Fund at year-end was \$3,048,474, while the previous fiscal year reported a fund balance of \$8,880,442. This is a decrease of \$5,831,968, or 65.7 percent. The decrease is attributable to a structured debt schedule to minimize the state's equalization aid loss limit.

The fund balance in the Capital Projects Fund at year-end was \$14,904,116, while the previous fiscal year reported a fund balance of \$747,354. This is an increase of \$14,156,762. The increase is attributable to bond proceeds received in order to finance the deferred maintenance and Americans with Disabilities Act (ADA) standards capital referendum, which passed on November 5, 2024.

#### GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Education made budget amendments to the General Fund during the year. General Fund actual revenues for the year totaled \$101,186,959, compared to budgeted revenues of \$98,913,460. Revenues for State Sources came in higher than anticipated, primarily Common School Funds, School Mental Health Aid, and County Program (Vel R Phillips) Tuition.

The General Fund actual expenditures for the year were \$554,225 higher than budgeted (\$110,403,683 actual compared to \$109,849,458 budgeted).

The instruction function's actual expenditures were higher than budgeted expenditures by \$1,276,324 due to payroll benefits not being allocated to the corresponding function and non-program transactions are higher due to the General Fund - Special Education Account transfer amount.

The support services function expenditures were lower than budget by \$361,535 due to payroll benefits not being allocated to the corresponding function.

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Management's Discussion and Analysis

June 30, 2025

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### CAPITAL ASSETS

The District's investment in capital assets for its governmental activities as of June 30, 2025 was \$137,657,779 (net of accumulated depreciation). This investment in capital assets includes sites, construction in progress, buildings and improvements, equipment, and leased assets.

	Capital Assets - Net of Depreciation	
	2025	2024
Sites	\$ 2,172,625	2,172,625
Construction in Progress	998,513	448,041
Buildings and Improvements	133,121,389	139,801,331
Equipment	1,076,468	1,028,380
Leased Assets - Buildings	124,486	163,798
Leased Assets - Equipment	164,298	217,946
Total	<u>137,657,779</u>	<u>143,832,121</u>

This year's major additions included:

Construction in Progress	\$ 998,513
Buildings and Improvements	1,120,939
Equipment	<u>271,730</u>
	<u>2,391,182</u>

Additional information on the District's capital assets can be found in Note 3 of this report.

### DEBT ADMINISTRATION

At year-end, the District had total outstanding debt of \$97,307,000 as compared to \$94,379,132 the previous year, an increase of 3.10 percent. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding	
	2025	2024
General Obligation Bonds	\$ 82,020,000	93,990,000
Promissory Notes	15,000,000	—
Leases	<u>287,000</u>	<u>389,132</u>
Total	<u>97,307,000</u>	<u>94,379,132</u>

State statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 10.0 percent of its total assessed valuation. The current debt limit for the District is \$1,028,477,470.

Additional information on the District's long-term debt can be found in Note 3 of this report.

# **WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

## **Management's Discussion and Analysis**

**June 30, 2025**

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### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The District is restricted by State Statutes as to the amount of property tax levy for operating purposes, without a public referendum to approve an increase. On November 5, 2024, the voters of the Wauwatosa School District approved a referendum to exceed the statutory revenue limit by \$16.1 million annually for the years 2025-26 through 2029-30. This will stabilize the district's budget and allow the district to begin rebuilding the general fund balance.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Scotlyn Ecker, Chief Financial Officer, Wauwatosa School District, 12121 West North Avenue, Wauwatosa, Wisconsin 53226.

## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Statement of Net Position**

**June 30, 2025**

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**See Following Page**

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Statement of Net Position**

**June 30, 2025**

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	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 42,677,587
Receivables - Net of Allowances	
Taxes	5,058,384
Accounts	84,419
Due from Other Governments	1,558,859
Inventories	29,791
Prepays	431,830
Total Current Assets	<u>49,840,870</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	3,171,138
Depreciable	232,186,427
Accumulated Depreciation	<u>(97,699,786)</u>
Total Noncurrent Assets	<u>137,657,779</u>
Total Assets	<u>187,498,649</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - WRS	24,308,817
Deferred Items - PRHI	<u>1,218,200</u>
Total Deferred Outflows of Resources	<u>25,527,017</u>
Total Assets and Deferred Outflows of Resources	<u>213,025,666</u>

The notes to the financial statements are an integral part of this statement.

	Governmental Activities
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	\$ 912,606
Accrued Payroll	7,747,998
Claims Payable	4,505,941
Deposits Payable	528,541
Other Fund Liabilities	57,609
Accrued Interest Payable	1,213,374
Current Portion of Long-Term Debt	3,097,956
Total Current Liabilities	<u>18,064,025</u>
Noncurrent Liabilities	
Compensated Absences	165,788
Net Pension Liability - WRS	4,475,152
Net Pension Liability - Stipend	140,276
Total OPEB Liability - PRHI	34,926,202
General Obligation Bonds - Net	85,312,577
Promissory Notes Payable	15,000,000
Leases Payable	178,178
Total Noncurrent Liabilities	<u>140,198,173</u>
Total Liabilities	<u>158,262,198</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Items - WRS	13,088,173
Deferred Items - PRHI	10,584,567
Total Deferred Inflows of Resources	<u>23,672,740</u>
Total Liabilities and Deferred Inflows of Resources	<u>181,934,938</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	51,058,152
Restricted	
Donations	1,564,493
Food Service	1,430,894
Community Service	1,458,790
Debt Service	1,835,100
Capital Projects	2,688,233
Unrestricted (Deficit)	<u>(28,944,934)</u>
Total Net Position	<u>31,090,728</u>

The notes to the financial statements are an integral part of this statement.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Statement of Activities**

**For the Fiscal Year Ended June 30, 2025**

	Program Revenues			Net (Expenses)/ Revenues
	Expenses	Charges for Services	Operating Grants/ Contributions	
Governmental Activities				
Instruction	\$ 64,044,234	13,822,127	13,844,464	(36,377,643)
Support Services	55,061,548	1,094,760	1,144,202	(52,822,586)
Community Services	2,286,091	1,500,762	—	(785,329)
Non-Program Transactions	7,048,325	—	—	(7,048,325)
Interest on Long-Term Debt	3,135,500	—	—	(3,135,500)
<b>Total Governmental Activities</b>	<u>131,575,698</u>	<u>16,417,649</u>	<u>14,988,666</u>	<u>(100,169,383)</u>
General Revenues				
Taxes				
Property Taxes				49,474,062
Property Taxes Levied for Specific Purposes				11,026,587
Federal and State - Unrestricted				
General State Aid				18,270,222
Other				7,128,801
Investment Income				819,962
Miscellaneous				279,922
				<u>86,999,556</u>
Change in Net Position				(13,169,827)
Net Position - Beginning				<u>44,260,555</u>
Net Position - Ending				<u>31,090,728</u>

The notes to the financial statements are an integral part of this statement.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Balance Sheet - Governmental Funds**

**June 30, 2025**

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**See Following Page**

WAUWATOSA SCHOOL DISTRICT, WISCONSIN

Balance Sheet - Governmental Funds

June 30, 2025

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	<u>General</u>
<b>ASSETS</b>	
Cash and Investments	\$ 19,757,532
Receivables - Net of Allowances	
Taxes	2,756,991
Accounts	26
Due from Other Governments	1,523,454
Inventories	—
Prepays	431,830
	<hr/>
Total Assets	<u>24,469,833</u>
<b>LIABILITIES</b>	
Accounts Payable	589,860
Accrued Payroll	7,586,298
Claims Payable	4,505,941
Deposits Payable	528,541
Other Liabilities	—
Total Liabilities	<u>13,210,640</u>
<b>FUND BALANCES</b>	
Nonspendable	431,830
Restricted	—
Unassigned	10,827,363
Total Fund Balances	<u>11,259,193</u>
	<hr/>
Total Liabilities and Fund Balances	<u>24,469,833</u>

The notes to the financial statements are an integral part of this statement.

Debt Service	Capital Projects		Nonmajor	Totals
	Capital Projects	Capital Expansion		
747,081	15,080,690	—	7,092,284	42,677,587
2,301,393	—	—	84,393	5,142,777
—	—	—	—	26
—	—	—	35,405	1,558,859
—	—	—	29,791	29,791
—	—	—	—	431,830
<u>3,048,474</u>	<u>15,080,690</u>	<u>—</u>	<u>7,241,873</u>	<u>49,840,870</u>
—	176,574	—	146,172	912,606
—	—	—	161,700	7,747,998
—	—	—	—	4,505,941
—	—	—	—	528,541
—	—	—	57,609	57,609
<u>—</u>	<u>176,574</u>	<u>—</u>	<u>365,481</u>	<u>13,752,695</u>
—	—	—	29,791	461,621
3,048,474	14,904,116	—	6,846,601	24,799,191
—	—	—	—	10,827,363
<u>3,048,474</u>	<u>14,904,116</u>	<u>—</u>	<u>6,876,392</u>	<u>36,088,175</u>
<u>3,048,474</u>	<u>15,080,690</u>	<u>—</u>	<u>7,241,873</u>	<u>49,840,870</u>

The notes to the financial statements are an integral part of this statement.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities**

**June 30, 2025**

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<b>Total Governmental Fund Balances</b>	<b>\$ 36,088,175</b>
Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	137,657,779
Deferred Outflows/Inflows of Resources related to the OPEB and retirement plans not reported in the funds.	
Deferred Items - WRS	11,220,644
Deferred Items - PRHI	(9,366,367)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(207,235)
Net Pension Liability - WRS	(4,475,152)
Net Pension Liability - Stipend	(140,276)
Net OPEB Liability - PRHI	(37,265,532)
General Obligation Bonds - Net	(85,920,934)
Promissory Note Payable	(15,000,000)
Lease Payable	(287,000)
Accrued Interest Payable	(1,213,374)
<b>Net Position of Governmental Activities</b>	<b><u>31,090,728</u></b>

The notes to the financial statements are an integral part of this statement.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended June 30, 2025**

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**See Following Page**

WAUWATOSA SCHOOL DISTRICT, WISCONSIN

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended June 30, 2025

	<u>General</u>
Revenues	
Local Sources	
Taxes	\$ 49,474,062
Investment Earnings	470,376
Other	1,153,256
Interdistrict Payments	
within Wisconsin	10,463,271
Intermediate Sources	74,083
State Sources	34,958,671
Federal Sources	4,455,229
Other Revenues	138,011
Total Revenues	<u>101,186,959</u>
Expenditures	
Instruction	60,234,518
Support Services	43,053,565
Community Services	—
Non-Program Transactions	6,983,627
Debt Service	
Principal Retirement	64,232
Interest and Fiscal Charges	67,741
Total Expenditures	<u>110,403,683</u>
Excess (Deficiency) of Revenues	
Over (Under) Expenditures	<u>(9,216,724)</u>
Other Financing Sources	
Debt Issuance	—
Disposal of Capital Assets	6,574
	<u>6,574</u>
Net Change in Fund Balances	<u>(9,210,150)</u>
Fund Balances - Beginning as Previously Reported	20,469,343
Adjustments - Changes from Major to Nonmajor	—
Adjustments - Changes from Nonmajor to Major	—
Fund Balances - Beginning as Adjusted	<u>20,469,343</u>
Fund Balances - Ending	<u>11,259,193</u>

The notes to the financial statements are an integral part of this statement.

Debt Service	Capital Projects		Nonmajor	Totals
	Capital Projects	Capital Expansion		
9,626,587	—	—	1,400,000	60,500,649
154,103	119,233	—	76,250	819,962
—	—	—	4,727,039	5,880,295
—	—	—	—	10,463,271
—	—	—	—	74,083
—	—	—	23,228	34,981,899
—	—	—	950,561	5,405,790
125,175	—	—	16,736	279,922
9,905,865	119,233	—	7,193,814	118,405,871
—	—	—	1,795,290	62,029,808
—	962,471	—	4,963,987	48,980,023
—	—	—	2,286,091	2,286,091
—	—	—	64,698	7,048,325
11,970,000	—	—	37,900	12,072,132
3,767,833	—	—	7,673	3,843,247
15,737,833	962,471	—	9,155,639	136,259,626
(5,831,968)	(843,238)	—	(1,961,825)	(17,853,755)
—	15,000,000	—	—	15,000,000
—	—	—	—	6,574
—	15,000,000	—	—	15,006,574
(5,831,968)	14,156,762	—	(1,961,825)	(2,847,181)
8,880,442	—	3,873,579	5,711,992	38,935,356
—	—	(3,873,579)	3,873,579	—
—	747,354	—	(747,354)	—
8,880,442	747,354	—	8,838,217	38,935,356
3,048,474	14,904,116	—	6,876,392	36,088,175

The notes to the financial statements are an integral part of this statement.

WAUWATOSA SCHOOL DISTRICT, WISCONSIN

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities  
For the Fiscal Year Ended June 30, 2025**

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**Net Change in Fund Balances - Total Governmental Funds** \$ (2,847,181)

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

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

Capital Outlays	2,391,182
Depreciation Expense	(8,554,471)
Disposals - Cost	(82,340)
Disposals - Accumulated Depreciation	71,287

Changes in Deferred Items Related to OPEB and Pensions

Change in Deferred Items - WRS	(1,645,480)
Change in Deferred Items - PRHI	(599,539)

The issuance of long-term debt provides current financial resources to Governmental Funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	8,290
Change in Net Pension Liability - WRS	(543,036)
Change in Net Pension Liability - Stipend	49,374
Change in Net OPEB Liability - PRHI	802,208
Debt Issuance	(15,000,000)
Retirement of Long-Term Debt	12,072,132
Amortization on Bond Premium	653,642
Change in in Accrued Interest Payable	54,105

**Changes in Net Position of Governmental Activities** (13,169,827)

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Notes to the Financial Statements

June 30, 2025

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Wauwatosa School District (the District), Wisconsin is organized as a common school district. The District, governed by a five-member elected school board, operates grades 4K through 12 and is comprised of one taxing district.

The financial statements of the District are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the District's accounting policies established under GAAP and used by the District are described below.

#### REPORTING ENTITY

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are no fiduciary component units that are required to be included in the financial statements of the District as pension trust funds and there are no discretely component units to include in the reporting entity.

#### BASIS OF PRESENTATION

##### Government-Wide Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The District's operating activities are all considered governmental activities, that is, activities normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered business-type activities.

In the government-wide Statement of Net Position, the governmental activities column is (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The District's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions (instruction, support services, community services, non-program transactions etc.). The functions are supported by general government revenues (property taxes, general state aid, investment income, etc.).

The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function) are normally covered by general revenue (property taxes and investment income, etc.).

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Notes to the Financial Statements

June 30, 2025

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### BASIS OF PRESENTATION - Continued

##### Government-Wide Statements - Continued

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

##### Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. 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:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the District:

##### Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

*General Fund* is the general operating and special education fund of the District. It accounts for all financial resources except those required to be accounted for in another fund. Revenues consist largely of local property taxes and state government aid. The General Fund is a major fund.

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes, other than those accounted for in the Debt Service Fund or Capital Projects Funds. The District maintains three nonmajor special revenue funds.

*Debt Service Funds* are used to account for the financial resources to be used for the payment of general long-term debt principal, interest, and related costs. The Debt Service Fund is a major fund.

*Capital Projects Funds* is used to account for financial resources of the District to be used for capital expenditures related to buildings and sites. The District maintains one major and one nonmajor capital projects funds.

Notes to the Financial Statements

June 30, 2025

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded, regardless of the measurement focus applied.

**Measurement Focus**

On the government-wide Statement of Net Position and the Statement of Activities, the governmental activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The accounting objectives of the “economic resources” measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

**Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The District recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, certain state and federal aid, and interest on investments. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All special purpose trust funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Notes to the Financial Statements

June 30, 2025

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION/ FUND BALANCE

##### Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with a fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

##### Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes.

##### Prepays/Inventories

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepays/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids/inventories are recorded as expenditures when consumed rather than when purchased.

##### Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

##### Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized/amortized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized/amortized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical costs based on replacement costs.

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Notes to the Financial Statements

June 30, 2025

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION/ FUND BALANCE - Continued

##### Capital Assets - Continued

Depreciation/amortization on all assets is computed and recorded using the straight-line method of depreciation/amortization over the following estimated useful lives:

Buildings and Improvements	10 - 100 Years
Equipment	5 - 10 Years
Leased Assets - Buildings	6 Years
Leased Assets - Equipment	5 Years

##### Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

##### Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by 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.

##### Compensated Absences

The District's policy allows certain employees to earn varying amounts of sick and vacation pay for each year employed. Sick pay does not vest.

The District also allows early retirement elections. Under this program health insurance benefits are paid in future fiscal years by the District. These benefits, though related to services currently received, are recorded as expenditures in the governmental funds statements in the period in which they are paid rather than the period in which the early retirement occurs. On the district-wide statements these benefits are accrued based on an actuarial study.

##### Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Notes to the Financial Statements

June 30, 2025

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION/ FUND BALANCE - Continued

##### Long-Term Obligations - Continued

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

##### Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation/amortization 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.

Restricted - 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 legislations.

Unrestricted - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets."

##### Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

### NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting as the annual financial statements.

Operating budgets are adopted each fiscal year for all governmental funds in accordance with section 65.90 of the Wisconsin Statutes. The budgeted amounts presented include amendments, if any, adopted during the year. Transfers between functions and changes to the overall budget must be approved and amended by School Board resolution. Appropriations lapse at year end unless specifically carried over. Budgetary expenditure control is exercised at the function level in the General Fund and at the fund level for all other funds.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

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**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued**

**EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS**

The following funds had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
Special Education Account - General	\$ 1,026,351
Debt Service	125,895
Community Service	101,110

**NOTE 3 - DETAIL NOTES ON ALL FUNDS**

**DEPOSITS AND INVESTMENTS**

The District maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the District's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Permitted Deposits and Investments - Statutes authorize the District to make deposits/invest in:

- Time deposits in any credit union, bank, savings bank, trust company or savings and loan association maturing in three years or less.
- Bonds or securities of any county, city, drainage district, technical college district, district, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, or by the University of Wisconsin Hospitals and Clinics Authority.
- Bonds or securities issued or guaranteed 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 with public depositories, with certain conditions.

The District has adopted an investment policy which permits all investments authorized under state statutes as described above.

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Notes to the Financial Statements

June 30, 2025

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### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### DEPOSITS AND INVESTMENTS - Continued

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. The SIF is not registered with the Securities and Exchange Commission but operates under the statutory authority of Wisconsin Chapter 25. Investments in the LGIP are covered under a surety bond issued by Financial Security Assurance, Inc. The bond insures against losses arising from principal defaults on substantially all types of securities acquired by the pool except U.S. Government and agency securities. The bond provides unlimited coverage on principal losses, reduced by any FDIC and State of Wisconsin Guarantee Fund Insurance. The District's invested funds in the LGIP are valued at amortized cost.

Wisconsin Investment Series Cooperative (WISC) is administrated by the PMA Financial Network. The investment manager for WISC is PMA Financial Network. The WISC is not registered with the Securities and Exchange Commission but invests its funds in accordance with applicable Wisconsin statutes. The WISC values its invested funds using various fair value measurements as applicable, depending on the type of investment.

#### District

*Deposits.* At year-end, the carrying amount of the District's deposits for governmental activities totaled \$32,686,888 and the bank balances totaled \$33,478,361. In addition, the District has \$375,369 invested in LGIP with average maturities of less than one year. Another addition, the District has \$9,615,330 invested in WISC with average maturities of less than one year.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District's investment policy does not specifically address interest rate risk.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investment policy does not specifically address credit risk. The District's investments in LGIP are not rated and WISC are rated AAAM by Standard & Poor's.

*Custodial Credit Risk - Deposits.* 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 District's investment policy does not specifically address custodial credit risk for deposits. Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000. Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual organizations. At year-end, \$1,541,711 of the bank balance of deposits was not covered by collateral, federal depository or equivalent insurance.

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Notes to the Financial Statements

June 30, 2025

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### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### DEPOSITS AND INVESTMENTS - Continued

##### District - Continued

*Custodial Credit Risk - Investments.* For an investment, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy does not specifically address custodial credit risk for investments. The District's investments in LGIP and WISC are not subject to custodial credit risk.

*Concentration Risk.* This is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy does not specifically address concentration risk. At year-end, the District does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

#### PROPERTY TAXES

Property tax revenues are recognized as revenues in the fiscal year levied as the District considers the property taxes as due prior to June 30. The District considers the taxes as due on January 1, the date from which interest and penalties accrue for non-payment of a scheduled installment. Full receipt of the entire levy is assured within sixty days of the school's fiscal year end. Receipt of the balance of taxes levied within sixty days meets the requirements for availability in accordance with generally accepted accounting principles applicable to governmental entities. Taxes are levied by October of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in three installments, on or about January 31, April 30, and July 31.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**CAPITAL ASSETS**

**Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Sites	\$ 2,172,625	—	—	2,172,625
Construction in Progress	448,041	1,799,953	1,249,481	998,513
	<u>2,620,666</u>	<u>1,799,953</u>	<u>1,249,481</u>	<u>3,171,138</u>
<b>Depreciable/Amortizable Capital Assets</b>				
Buildings and Improvements	224,756,657	1,568,980	37,853	226,287,784
Equipment	5,206,601	271,730	44,487	5,433,844
Leased Assets - Buildings	196,558	—	—	196,558
Leased Assets - Equipment	268,241	—	—	268,241
	<u>230,428,057</u>	<u>1,840,710</u>	<u>82,340</u>	<u>232,186,427</u>
<b>Less Accumulated Depreciation/Amortization</b>				
Buildings and Improvements	84,955,326	8,237,869	26,800	93,166,395
Equipment	4,178,221	223,642	44,487	4,357,376
Leased Assets - Buildings	32,760	39,312	—	72,072
Leased Assets - Equipment	50,295	53,648	—	103,943
	<u>89,216,602</u>	<u>8,554,471</u>	<u>71,287</u>	<u>97,699,786</u>
<b>Total Net Depreciable/Amortizable Capital Assets</b>	<u>141,211,455</u>	<u>(6,713,761)</u>	<u>11,053</u>	<u>134,486,641</u>
<b>Total Net Capital Assets</b>	<u>143,832,121</u>	<u>(4,913,808)</u>	<u>1,260,534</u>	<u>137,657,779</u>

Depreciation/amortization expense was charged to governmental activities as follows:

Instruction	\$ 81,764
Support Services	<u>8,472,707</u>
	<u><u>8,554,471</u></u>

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT**

**General Obligation Bonds**

The District issues general obligation bonds to provide funds for operating cash flow and or the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$63,000,000 General Obligation Refunding Bonds of 2019A, due in annual installments of \$5,450,000 to \$8,500,000 plus interest at 3.00% to 5.00% through March 1, 2037.	\$ 48,875,000	—	5,550,000	43,325,000
\$61,900,000 General Obligation Refunding Bonds of 2019B, due in annual installments of \$4,090,000 to \$6,420,000 plus interest at 3.00% to 5.00% through September 1, 2038.	45,115,000	—	6,420,000	38,695,000
	<u>93,990,000</u>	<u>—</u>	<u>11,970,000</u>	<u>82,020,000</u>

**Promissory Notes**

The District issues promissory notes to provide funds for the acquisition and construction of major capital facilities. Promissory notes are direct obligations and pledge the full faith and credit of the District. Promissory notes currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$15,000,000 Promissory Notes of 2024, due in annual installments of \$1,825,000 to \$2,465,000 plus interest at 4.25% to 5.00% through April 1, 2045.	\$ —	15,000,000	—	15,000,000

**Leases Payable**

The District has the following leases outstanding at year end:

Lease	Start Date	End Date	Payments	Interest Rate
Copiers	July 1, 2024	June 30, 2028	\$5,856 Monthly	5.13%
Building	September 1, 2023	August 31, 2028	\$3,500 Monthly	5.13%

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Leases Payable - Continued**

The future principal and interest lease payments as of the year-end were as follows:

Fiscal Year	Leases Payable	
	Principal	Interest
2026	\$ 108,822	12,190
2027	115,902	6,443
2028	58,353	1,564
2029	3,923	17
	<u>287,000</u>	<u>20,214</u>

**Debt Service Requirements to Maturity**

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	General Obligation Bonds		Promissory Notes	
	Principal	Interest	Principal	Interest
2026	\$ —	3,203,938	—	652,682
2027	11,905,000	3,056,938	—	665,625
2028	—	2,608,688	—	665,625
2029	12,350,000	2,463,063	—	665,625
2030	—	1,991,188	—	665,625
2031	12,735,000	1,904,038	—	665,625
2032	—	1,539,888	—	665,625
2033	13,155,000	1,450,357	—	665,625
2034	—	1,063,826	—	665,625
2035	13,655,000	970,713	—	665,625
2036	—	620,038	—	665,625
2037	14,130,000	525,032	—	665,625
2038	—	143,150	—	665,625
2039	4,090,000	71,575	1,825,000	665,625
2040	—	—	1,925,000	574,375
2041	—	—	2,030,000	478,125
2042	—	—	2,140,000	391,850
2043	—	—	2,255,000	300,900
2044	—	—	2,360,000	205,062
2045	—	—	2,465,000	104,763
Totals	<u>82,020,000</u>	<u>21,612,432</u>	<u>15,000,000</u>	<u>11,360,882</u>

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Legal Debt Margin**

Wisconsin State Statute 67.03 limits total general obligation indebtedness of the District to ten percent of the equalized value of taxable property within the District's jurisdiction. The legal debt limit at year-end was as follows:

Assessed Valuation - 2024	<u>\$ 10,284,774,700</u>
Legal Debt Limit - 10% of Assessed Value	1,028,477,470
Amount of Debt Applicable to Limit	<u>97,020,000</u>
Legal Debt Margin	<u>931,457,470</u>

**Long-Term Liabilities Activity**

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
<b>Governmental Activities</b>					
Compensated Absences	\$ 215,525	—	8,290	207,235	41,447
Net Pension Liability - WRS	3,932,116	543,036	—	4,475,152	—
Total Pension Liability - Stipend	189,650	—	49,374	140,276	—
Total OPEB Liability - PRHI	38,067,740	—	802,208	37,265,532	2,339,330
General Obligation Bonds	93,990,000	—	11,970,000	82,020,000	—
Unamortized Bond Premiums	4,554,576	—	653,642	3,900,934	608,357
Promissory Notes	—	15,000,000	—	15,000,000	—
Leases Payable	389,132	—	102,132	287,000	108,822
	<u>141,338,739</u>	<u>15,543,036</u>	<u>13,585,646</u>	<u>143,296,129</u>	<u>3,097,956</u>

Payments on the net pension liability, the total pension liability, and the total OPEB liability will generally be repaid from the General Account - General Fund. Payments on the general obligation bonds and the promissory notes are repaid by the Debt Service Fund. Payments on the leases payable are made by the General Account - General Fund.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**FUND BALANCE CLASSIFICATIONS**

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Debt Service	Capital Projects	Nonmajor	Totals
Fund Balances					
Nonspendable					
Inventories	\$ —	—	—	29,791	29,791
Prepays	431,830	—	—	—	431,830
	<u>431,830</u>	<u>—</u>	<u>—</u>	<u>29,791</u>	<u>461,621</u>
Restricted					
Donations	—	—	—	1,564,493	1,564,493
Food Service	—	—	—	1,430,894	1,430,894
Community Service	—	—	—	1,458,790	1,458,790
Debt Service	—	3,048,474	—	—	3,048,474
Capital Projects	—	—	14,904,116	2,392,424	17,296,540
	<u>—</u>	<u>3,048,474</u>	<u>14,904,116</u>	<u>6,846,601</u>	<u>24,799,191</u>
Unassigned	<u>10,827,363</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>10,827,363</u>
Total Fund Balances	<u>11,259,193</u>	<u>3,048,474</u>	<u>14,904,116</u>	<u>6,876,392</u>	<u>36,088,175</u>

In the governmental fund financial statements, the District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

*Nonspendable Fund Balance.* Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

*Restricted Fund Balance.* Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

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**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**FUND BALANCE CLASSIFICATIONS - Continued**

*Committed Fund Balance.* Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Education; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

*Assigned Fund Balance.* Consists of amounts that are constrained by the Board of Education's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Education itself or b) a body or official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. The District's highest level of decision-making authority is the Board of Education, who is authorized to assign amounts to a specific purpose.

*Unassigned Fund Balance.* Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

*Minimum Fund Balance Policy.* The District's policy manual states that the General Fund should maintain a minimum unrestricted fund balance equal to 15% of budgeted operating expenditures.

**NET POSITION CLASSIFICATION**

Net investment in capital assets was comprised of the following as of June 30, 2025:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 137,657,779
Plus: Unspent Bond Proceeds	14,784,881
Less: Capital Related Debt	
Capital Related Accounts Payable	(176,574)
General Obligation Bonds	(82,020,000)
Unamortized Bond Premium	(3,900,934)
Promissory Notes	(15,000,000)
Leases Payable	<u>(287,000)</u>
Net Investment in Capital Assets	<u><u>51,058,152</u></u>

**NOTE 4 - OTHER INFORMATION**

**RISK MANAGEMENT**

On January of 2000, the District established a self-funded health and dental benefit plan for its employees. The Plan administrators, United Health Care, 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 benefit program reports on a plan year ending September 30.

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

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Notes to the Financial Statements

June 30, 2025

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### NOTE 4 - OTHER INFORMATION - Continued

#### RISK MANAGEMENT - Continued

As part of the health care coverage of the Plan, the District purchases stop-loss coverage, which pays claims in excess of \$250,000 per individual and/or 120% of the annual estimated claims as provided by United Health Care (administrator). For the year ended June 30, 2025, the aggregate claim limit was \$21,957,535. The District has no stop-loss coverage for dental care coverage of the Plan.

On June 30, 2025, the District has reported a liability of \$4,227,906 for the self-funded health benefit plan and \$278,035 for the self-funded dental plan, 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. Changes in the claims liability for the year ended June 30, 2025 are as follows:

	Health Benefits	Dental	Total
Claims Payable - June 30, 2023	\$ 5,770,178	—	5,770,178
Claims Incurred	13,075,433	—	13,075,433
Claims Paid	(15,605,601)	—	(15,605,601)
Claims Payable - June 30, 2024	3,240,010	—	3,240,010
Claims Incurred	18,223,311	798,245	19,021,556
Claims Paid	(17,235,415)	(520,210)	(17,755,625)
Claims Payable - June 30, 2025	<u>4,227,906</u>	<u>278,035</u>	<u>4,505,941</u>

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the District's employees. The District has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

#### CONTINGENT LIABILITIES

##### Litigation

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

##### State and Federal Contingencies

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under the terms of the grant. Management believes such disallowance, if any, would be immaterial.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

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**NOTE 4 - OTHER INFORMATION - Continued**

**LIMITATION OF SCHOOL DISTRICT REVENUES**

Wisconsin Statutes limit the amount of revenues that school districts may derive from general school aids and property taxes unless a higher amount is approved by a referendum. The annual revenue increase from these sources is limited to an allowable per member increase which is determined by the legislature. This limitation does not apply to revenues needed for the payment of any general obligation debt service (including refinanced debt) authorized by either of the following:

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

**EMPLOYEE RETIREMENT SYSTEMS**

The District contributes to two defined benefit pension plans, the Wisconsin Retirement System (WRS) and the Supplemental Benefit Plan (Stipend). The aggregate amounts recognized for the pension plans are:

	Pension Expense	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Wisconsin Retirement System	\$ 6,363,860	4,475,152	24,308,817	13,088,173
Supplemental Benefit Plan (Stipend)	13,826	140,276	—	—
	<u>6,377,686</u>	<u>4,615,428</u>	<u>24,308,817</u>	<u>13,088,173</u>

**Wisconsin Retirement System (WRS)**

**Plan Descriptions**

*Plan Administration.* The Wisconsin Retirement System (WRS) is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government, and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 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.

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Notes to the Financial Statements

June 30, 2025

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEMS - Continued

##### Wisconsin Retirement System (WRS) - Continued

###### Plan Descriptions - Continued

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

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

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

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

The WRS also provides death and disability benefits for employees.

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

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

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

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**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEMS - Continued**

**Wisconsin Retirement System (WRS) - Continued**

**Plan Descriptions - Continued**

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

During the reporting period, the WRS recognized \$4,175,344 in contributions from the employer.

Contributions rates as of June 30, 2025 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers, executive, and elected official)	6.95%	6.95%

**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 net pension liability of \$4,475,152 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, rolled forward to December 31, 2024. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2024, the District's proportion was 0.272349%, which was an increase of 0.007882% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized pension expense of \$6,363,860.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEMS - Continued**

**Wisconsin Retirement System (WRS) - Continued**

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

For the year ended 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	Totals
Differences Between Expected and Actual Experience	\$ 13,897,797	(13,059,569)	838,228
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	6,800,231	—	6,800,231
Changes of Assumptions	1,327,864	—	1,327,864
Changes in Proportion and Differences Between Employer			
Contributions and Proportionate Share of Contributions	172,098	(28,604)	143,494
Total Pension Expense to be Recognized in Future Periods	22,197,990	(13,088,173)	9,109,817
Pension Contributions Made Subsequent			
to the Measurement Date	2,110,827	—	2,110,827
Total Deferred Amounts Related to Pensions	24,308,817	(13,088,173)	11,220,644

\$2,110,827 reported as deferred outflows of resources 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 in the year ended June 30, 2026.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2026	\$ 2,769,542
2027	9,337,504
2028	(2,279,906)
2029	(717,323)
2030	—
Thereafter	—
Total	9,109,817

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Notes to the Financial Statements

June 30, 2025

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEMS - Continued

##### Wisconsin Retirement System (WRS) - 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	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	6.80%
Discount Rate	6.80%
Salary Increases	
Wage Inflation	3.00%
Seniority/Merit	0.10% - 5.70%
Mortality	2020 WRS Experience Mortality Table
Post-Retirement Adjustments*	1.70%

\*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.

###### 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:

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEMS - Continued**

**Wisconsin Retirement System (WRS) - Continued**

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

Core Fund Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return	Long-Term Expected Real Rate of Return
Public Equity	38.0%	7.0%	4.3%
Public Fixed Income	27.0%	6.1%	3.4%
Private Equity/Debt	20.0%	9.5%	6.7%
Inflation Sensitive	19.0%	4.8%	2.1%
Real Estate	8.0%	6.5%	3.8%
Leverage	(12.0%)	3.7%	1.1%
Total Core Fund	100.0%	7.5%	4.8%
Variable Fund Asset Class			
U.S. Equities	70.0%	6.5%	3.8%
International Equities	30.0%	7.4%	4.7%
Total Variable Fund	100.0%	6.9%	4.2%

**Single Discount Rate**

A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.8% 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.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

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**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEMS - Continued**

**Wisconsin Retirement System (WRS) - Continued**

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

The following presents the District's proportionate share of the net pension liability/(asset) calculated using the discount rate of 6.80%, as well as what the District's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.80%)	Current Rate (6.80%)	1% Increase (7.80%)
District's Proportionate Share of the Net Pension Liability/(Asset)	\$ 41,982,772	4,475,152	(22,172,935)

**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/aboutetf/reports-and-studies/financial-reports-and-statements>.

**Supplemental Pension Benefit (Stipend)**

**Plan Descriptions**

*Plan Administration.* The District provides qualifying teachers with a stipend/supplemental pension. The stipend is a single employer defined benefit pension plan administered by the District. The authority to establish and amend benefit provisions is with the Board of Education. There are no assets accumulated in a trust. All contracts with District employees will be renegotiated at various times in the future and, thus, costs and benefits are subject to change. For the District, the supplemental pension is administered by District personnel. No separate financial statements are issued.

*Benefits Provided.* Eligible Administrators, Non-Bargain Staff and Teachers choosing to waive coverage under the group medical plan may instead elect to receive their retirement account in cash. The amount of this retirement account will remain the same whether used for medical coverage or taken in cash. The District will also provide all eligible Custodians, Clerical and Food Service Staff with a severance benefit upon their retirement wherein they will receive a payment based upon their years of service with the District.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

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**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEMS - Continued**

**Supplemental Pension Benefit (Stipend) - Continued**

**Plan Descriptions - Continued**

*Plan Membership.* As of June 30, 2025, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	6
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	—
	<hr/>
Total	<u>6</u>

*Net Pension Liability.* The District's total pension liability was measured as of June 30, 2025 and was determined by an actuarial valuation as June 30, 2025.

*Actuarial Assumptions.* The total pension liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial Valuation Date	June 30, 2025
Measurement Date	June 30, 2025
Actuarial Cost Method	Entry Age Normal
Asset Valuation method	Trustee Value as of the Measurement Date
Discount Rate	5.20%
Expected Long-Term Investment Return	5.20%
20-Year Municipal Bond Yield	5.20%
Mortality	Based on Rates from Wisconsin Retirement System Experience Study Report for Public Schools date November 19, 2021.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

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**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEMS - Continued**

**Supplemental Pension Benefit (Stipend) - Continued**

**Plan Descriptions - Continued**

**Discount Rate**

The discount rate used to measure the total pension liability was 5.20%, compared to last year's discount rate of 3.93%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

**Changes in Net Pension Liability**

	<u>Total Pension Liability</u>
Balance at June 30, 2024	\$ 189,650
Changes for the Year:	
Service Cost	6,108
Difference Between Expected and Actual Experience	10,510
Changes of Assumptions or Other Inputs	(2,792)
Benefit Payments	<u>(63,200)</u>
Net Changes	<u>(49,374)</u>
Balance at June 30, 2025	<u><u>140,276</u></u>

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEMS - Continued**

**Supplemental Pension Benefit (Stipend) - Continued**

**Discount Rate Sensitivity**

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the District calculated using the discount rate as well as what the District’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
Net Pension Liability	\$ 142,464	140,276	138,164

**OTHER POST-EMPLOYMENT BENEFITS**

**Post-Retirement Health Insurance Plan**

**General Information about the Post-Retirement Health Insurance Plan**

*Plan Description.* The District operates the Wauwatosa School District Post Employment Benefit Trust (the Trust), a single-employer defined-benefit retiree plan that provides post employment health insurance benefits to eligible employees and their spouses.

*Benefits Provided.* Benefits and eligibility for teachers and food service workers are established and amended through collective bargaining with the recognized bargaining agent for each group; benefits and eligibility for administrators, secretaries and general support staff are established and amended by the governing body.

*Plan Membership.* As of June 30, 2025, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	479
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>785</u>
Total	<u><u>1264</u></u>

*Contributions.* The District generally makes contributions in an amount equal to the implicit rate subsidy payback. Evaluations are done annually to determine if additional discretionary contributions should be made. Retirees contribute a fixed amount every month, and the amount was calculated based on 25% of their health insurance premiums in their first year of retirement.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

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**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Post-Retirement Health Insurance Plan - Continued**

**General Information about the Post-Retirement Health Insurance Plan - Continued**

*Net OPEB Liability.* The District's total OPEB liability was measured as of June 30, 2025, and was determined by an actuarial valuation as of June 30, 2025.

*Actuarial Assumptions.* The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date	June 30, 2025
Measurement Date	June 30, 2025
Actuarial Cost Method	Entry Age Normal
Asset Valuation method	Trustee Value as of Measurement Date
Discount Rate	5.20%
Expected Long-Term Investment Return	N/A
20-Year Municipal Bond Yield	5.20%
Salary Increases	3.20%
Medical Trend Rate	6.75% initial rate decreasing to an ultimate rate of 4.50% in 2034 and after.
Dental Trend Rate	4.00% for 2025 and after.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

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**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Post-Retirement Health Insurance Plan - Continued**

**Change in the Total OPEB Liability**

	<u>Total OPEB Liability</u>
Balance at June 30, 2024	<u>\$ 38,067,740</u>
Changes for the Year:	
Service Cost	2,161,258
Interest on the Total OPEB Liability	1,450,094
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	(74,873)
Changes of Assumptions or Other Inputs	(1,999,357)
Benefit Payments	(2,339,330)
Other Changes	—
Net Changes	<u>(802,208)</u>
Balance at June 30, 2025	<u><u>37,265,532</u></u>

**Discount Rate**

The discount rate used to measure the total pension liability was 5.20%, while a discount rate of 3.93% was used in the prior year. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Discount contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

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**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Post-Retirement Health Insurance Plan - Continued**

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

The following presents the total OPEB liability, calculated using a Single Discount Rate of 5.20%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
Total OPEB Liability	\$ 39,644,956	37,265,532	35,046,576

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

The following presents the total OPEB liability, calculated using variable Healthcare Trend Rates, as well as what the total OPEB liability would be if it were calculated using variable Healthcare Trend Rates that are one percentage point lower or one percentage point higher:

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 35,066,432	37,265,532	39,689,180

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Notes to the Financial Statements**

**June 30, 2025**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Post-Retirement Health Insurance Plan - Continued**

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

For the year ended June 30, 2025, the District recognized OPEB expense of \$2,136,661. 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	Totals
Difference Between Expected and Actual Experience	\$ 261,641	(3,509,796)	(3,248,155)
Change in Assumptions	956,559	(7,074,771)	(6,118,212)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Deferred Amounts Related to OPEB	<u>1,218,200</u>	<u>(10,584,567)</u>	<u>(9,366,367)</u>

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

Fiscal Year	Net Deferred (Inflows) of Resources
2026	\$ (1,474,691)
2027	(1,474,691)
2028	(1,474,691)
2029	(1,474,685)
2030	(1,033,338)
Thereafter	<u>(2,434,271)</u>
Total	<u>(9,366,367)</u>

**SUBSEQUENT EVENTS**

On October 25, 2025, the District issued \$55,210,000 of Tax Anticipation Notes bearing interest at a rate of 5.00% with a final maturity date of September 24, 2026.

In November 2025, the District was notified of a property tax chargeback that related to tax years 2021-2024, in which they will be responsible for the repayment of \$3,502,031.

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Wisconsin Retirement System
  - Schedule Employer Contributions - Last Ten Fiscal Years
  - Schedule of Proportionate Share of the Net Pension Liability/(Asset) - Last Ten Fiscal Years
  - Notes to the Required Supplementary Information
- Supplemental Benefit Plan (Stipend)
  - Schedule of Changes in Net Pension Liability and Related Ratios - Last Ten Fiscal Years
- Post-Retirement Health Insurance Plan
  - Schedule of Changes in Total OPEB Liability and Related Ratios
- Budgetary Comparison Schedules
  - General Fund

### Notes to the Required Supplementary Information

Budgetary Information - Except for the exclusion of on-behalf payments from other governments, the budgeted amounts are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Wisconsin Retirement System**

**Schedule of Employer Contributions - Last Ten Fiscal Years**

**June 30, 2025**

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Fiscal Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 2,870,816	\$ 2,870,816	\$ —	\$ 42,227,822	6.80%
2017	2,800,620	2,800,620	—	42,433,637	6.60%
2018	2,934,440	2,934,440	—	42,909,670	6.84%
2019	2,934,895	2,934,895	—	43,804,412	6.70%
2020	2,930,792	2,930,792	—	44,744,929	6.55%
2021	3,234,288	3,234,288	—	47,883,743	6.75%
2022	3,024,457	3,024,457	—	44,806,772	6.75%
2023	3,000,475	3,000,475	—	46,161,155	6.50%
2024	3,668,127	3,668,127	—	53,939,312	6.80%
2025	4,175,344	4,175,344	—	56,298,701	7.42%

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Wisconsin Retirement System**

**Schedule of Proportionate Share of Net Pension Liability/(Asset) - Last Ten Fiscal Years**

**June 30, 2025**

Fiscal Year	Proportion of the Net Pension (Asset) Liability	Proportionate Share of the Net Pension (Asset) Liability	Covered Payroll	Proportionate Share of the Net Pension (Asset)/ Liability as a % of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2016	0.302500%	\$ 4,915,677	\$ 42,227,822	11.64%	98.20%
2017	0.297400%	2,451,592	42,433,637	5.78%	99.12%
2018	0.297300%	(8,720,802)	42,909,670	(20.32%)	102.93%
2019	0.289600%	10,302,409	43,804,412	23.52%	96.45%
2020	0.284900%	(9,187,342)	44,744,929	(20.53%)	102.96%
2021	0.283900%	(17,722,022)	47,883,743	(37.01%)	105.26%
2022	0.275100%	(22,173,904)	44,806,772	(49.49%)	106.02%
2023	0.266800%	14,136,405	46,161,155	30.62%	95.72%
2024	0.264500%	3,932,116	53,939,312	7.29%	98.85%
2025	0.272349%	4,475,152	59,883,609	7.47%	98.79%

Notes:

The amounts presented were determined as of the prior fiscal-year end.

# WAUWATOSA SCHOOL DISTRICT, WISCONSIN

## Wisconsin Retirement System

### Notes to the Required Supplementary Information

June 30, 2025

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

*Change in 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 ended 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.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Wisconsin Retirement System**

**Notes to the Required Supplementary Information - Continued**

**June 30, 2025**

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Valuation Date	December 31, 2022
Actuarial Cost Method	Frozen Entry Age
Amortization Method	Level Percent of Payroll-Closed Amortization Period
Amortization Period	30 Years closed from date of participation in WRS
Asset Valuation Method	Five Year Smoothed Market (Closed)
Actuarial Assumptions	
Net Investment Rate of Return	5.40%
Weighted Based on Assumed Rate for:	
Pre-Retirement	6.80%
Post-Retirement	5.00%
Salary Increases	
Wage Inflation	3.00%
Seniority/Merit	0.10% - 5.70%
Post Retirement Benefit Adjustments*	1.70%
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.
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.

\*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.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Supplemental Benefit Plan (Stipend)**

**Schedule of Employer Contributions - Last Ten Fiscal Years**

**June 30, 2025**

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Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 57,600	57,600	—	440,026	13.09%
2025	63,200	63,200	—	527,499	11.98%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Supplemental Benefit Plan (Stipend)**

**Schedule of Changes in Net Pension Liability and Related Ratios - Last Ten Fiscal Years**

**June 30, 2025**

	2024	2025
Total Pension Liability		
Service Cost	\$ —	—
Interest	7,717	6,108
Changes in Benefit Terms	—	—
Differences Between Expected and Actual Experience	—	10,510
Change of Assumptions	(678)	(2,792)
Benefit Payments, Including Refunds of Member Contributions	(57,600)	(63,200)
Net Change in Total Pension Liability	(50,561)	(49,374)
Total Pension Liability - Beginning	240,211	189,650
Total Pension Liability - Ending	189,650	140,276
Covered Payroll	\$ 440,026	527,499
Employer's Net Pension Liability as a Percentage of Covered Payroll	43.10%	26.59%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Post-Retirement Health Insurance Plan**

**Schedule of Changes in Total OPEB Liability and Related Ratios**

**June 30, 2025**

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**See Following Page**

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Post-Retirement Health Insurance Plan**

**Schedule of Changes in Total OPEB Liability and Related Ratios**

**June 30, 2025**

	2017	2018
Total OPEB Liability		
Service Cost	\$ 1,980,482	2,000,286
Interest	1,114,761	1,155,999
Plan Changes	—	—
Change in Benefit Terms	—	—
Differences Between Expected and Actual Experience	—	—
Change of Assumptions or Other Inputs	—	—
Employee Contributions	—	—
Benefit Payments	(1,274,557)	(1,169,804)
Other (Net Transfer)	—	—
Net Change in Total OPEB Liability	1,820,686	1,986,481
Total OPEB Liability - Beginning	21,395,487	23,216,173
Total OPEB Liability - Ending	23,216,173	25,202,654
Covered Payroll	\$ 39,661,255	40,230,713
Net OPEB Liability as a Percentage of Covered Payroll	58.54%	62.65%

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

\* Restated

2019*	2020	2021	2022	2023	2024	2025
1,597,563	1,555,825	1,525,250	2,427,310	2,017,977	2,178,490	2,161,258
1,450,489	1,500,494	1,539,047	909,911	1,399,639	1,332,333	1,450,094
—	—	—	—	—	—	—
—	—	—	—	—	—	—
(499,055)	—	571,646	—	(4,451,013)	—	(74,873)
(6,572,564)	—	1,810,372	(3,962,103)	174,653	(791,648)	(1,999,357)
—	—	—	—	—	—	—
(1,276,605)	(1,215,152)	(1,714,535)	(1,879,420)	(2,046,176)	(2,307,437)	(2,339,330)
—	—	—	—	—	—	—
(5,300,172)	1,841,167	3,731,780	(2,504,302)	(2,904,920)	411,738	(802,208)
42,792,449	37,492,277	39,333,444	43,065,224	40,560,922	37,656,002	38,067,740
37,492,277	39,333,444	43,065,224	40,560,922	37,656,002	38,067,740	37,265,532
40,933,023	42,397,510	42,821,485	41,437,103	42,763,090	54,965,009	55,822,343
91.59%	92.77%	100.57%	97.89%	88.06%	69.26%	66.76%

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended June 30, 2025**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources	\$ 51,291,649	51,291,649	51,097,694	(193,955)
Interdistrict Payments within Wisconsin	10,560,000	10,560,000	10,463,271	(96,729)
State Sources	33,031,998	33,072,630	34,958,671	1,886,041
Federal Sources	3,348,662	3,818,381	4,455,229	636,848
Other Revenues	130,800	130,800	138,011	7,211
Total Revenues	<u>98,403,109</u>	<u>98,913,460</u>	<u>101,186,959</u>	<u>2,273,499</u>
Expenditures				
Instruction	58,506,219	58,958,194	60,234,518	(1,276,324)
Support Services	42,168,125	43,415,100	43,053,565	361,535
Non-Program Transactions	7,108,668	7,456,069	6,983,627	472,442
Debt Service				
Principal Retirement	20,095	20,095	64,232	(44,137)
Interest and Fiscal Charges	—	—	67,741	(67,741)
Total Expenditures	<u>107,803,107</u>	<u>109,849,458</u>	<u>110,403,683</u>	<u>(554,225)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,399,998)	(10,935,998)	(9,216,724)	1,719,274
Other Financing Sources				
Disposal of Capital Assets	—	—	6,574	6,574
Net Change in Fund Balance	<u>(9,399,998)</u>	<u>(10,935,998)</u>	<u>(9,210,150)</u>	<u>1,725,848</u>
Fund Balance - Beginning			<u>20,469,343</u>	
Fund Balances - Ending			<u><u>11,259,193</u></u>	

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Combining Statements - General Fund - by Account
- Budgetary Comparison Schedules - General Fund - by Account
- Budgetary Comparison Schedule - Major Governmental Fund
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds

## **INDIVIDUAL FUND DESCRIPTIONS**

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### **GENERAL FUND**

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. The General Fund includes the General and Special Education Accounts.

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### **SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

#### **Gift Fund**

The Gift Fund is used to account for the proceeds of non-trust revenues of which the expenditures are limited to specified purposes related to district operations. The most common source of such funds is gifts and donations. There may be a fund balance in this fund.

#### **Food Service Fund**

The Food Service Fund is used to account for all revenues and expenditures related to pupil and elderly food service activities are recorded in this fund. A fund balance in the School Nutrition Services Fund is permitted. There may be no deficit in the District's School Nutrition Services Fund.

#### **Community Service Fund**

The Community Service Fund is used to account for activities such as adult education, community recreation programs such as evening swimming pool operation and softball leagues, elderly food service programs, non-special education preschool, day care services, and other programs which are not elementary and secondary educational programs but have the primary function of serving the community. Actual, additional expenditures for these activities, includes salaries, benefits, travel, purchased services, etc. are to be included in this fund to the extent feasible. The District may adopt a separate tax levy for this Fund.

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### **DEBT SERVICE FUND**

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

#### **Debt Service Fund**

The Debt Service Fund is used to account for transactions for the repayment of debt issues that were either authorized by school board resolution before August 12, 1993, or approved by referendum, or incurred without referendum approval after that date. A fund balance may exist in this fund.

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## INDIVIDUAL FUND DESCRIPTIONS - Continued

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### CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities.

#### Capital Projects Fund

The Capital Projects Fund is used to account for capital activities not required to be reported in another fund. A fund balance may exist in this fund.

#### Capital Expansion Fund

The Capital Expansion Fund is used to account for projects financed with tax levy per Wis. Stats. §120.10(10m). State statute restricts the use of this fund for capital expenditures related to buildings and sites. Equipment cannot be acquired through the use of this fund. For the purpose of determining eligible expenditures from this fund, the DPI defines “capital expenditures related to buildings and sites” as being expenditures for acquiring and remodeling buildings and sites, and maintenance or repair expenditures that extend or enhance the service life of buildings and building components, sites and site components.

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**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**General Fund - by Account  
Combining Balance Sheet  
June 30, 2025**

	General Account	Special Education Account	Eliminations	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 18,386,181	1,371,351	—	19,757,532
Receivables - Net of Allowances				
Taxes	2,756,991	—	—	2,756,991
Accounts	—	26	—	26
Due from Other Governments	1,221,857	301,597	—	1,523,454
Prepays	431,677	153	—	431,830
	<hr/>			
Total Assets	22,796,706	1,673,127	—	24,469,833
<b>LIABILITIES</b>				
Accounts Payable	456,793	133,067	—	589,860
Accrued Payroll	6,046,238	1,540,060	—	7,586,298
Claims Payable	4,505,941	—	—	4,505,941
Deposits Payable	528,541	—	—	528,541
Total Liabilities	11,537,513	1,673,127	—	13,210,640
<b>FUND BALANCES</b>				
Nonspendable	431,677	153	—	431,830
Unassigned	10,827,516	(153)	—	10,827,363
Total Fund Balances	11,259,193	—	—	11,259,193
	<hr/>			
Total Liabilities and Fund Balances	22,796,706	1,673,127	—	24,469,833

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**General Fund - by Account**

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**

**For the Fiscal Year Ended June 30, 2025**

	General Account	Special Education Account	Eliminations	Totals
<b>Revenues</b>				
Local Sources	\$ 51,097,694	—	—	51,097,694
Interdistrict Payments within Wisconsin	10,355,315	107,956	—	10,463,271
Intermediate Sources	—	74,083	—	74,083
State Sources	29,151,091	5,807,580	—	34,958,671
Federal Sources	2,442,562	2,012,667	—	4,455,229
Other Revenues	138,011	—	—	138,011
<b>Total Revenues</b>	<b>93,184,673</b>	<b>8,002,286</b>	<b>—</b>	<b>101,186,959</b>
<b>Expenditures</b>				
Instruction	46,397,621	13,836,897	—	60,234,518
Support Services	38,467,423	4,586,142	—	43,053,565
Non-Program Transactions	5,801,216	1,182,411	—	6,983,627
Debt Service				
Principal Retirement	61,805	2,427	—	64,232
Interest and Fiscal Charges	67,741	—	—	67,741
<b>Total Expenditures</b>	<b>90,795,806</b>	<b>19,607,877</b>	<b>—</b>	<b>110,403,683</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>2,388,867</b>	<b>(11,605,591)</b>	<b>—</b>	<b>(9,216,724)</b>
<b>Other Financing Sources (Uses)</b>				
Disposal of Capital Assets	6,574	—	—	6,574
Transfers In	—	11,605,591	(11,605,591)	—
Transfers Out	(11,605,591)	—	11,605,591	—
	<b>(11,599,017)</b>	<b>11,605,591</b>	<b>—</b>	<b>6,574</b>
<b>Net Change in Fund Balance</b>	<b>(9,210,150)</b>	<b>—</b>	<b>—</b>	<b>(9,210,150)</b>
<b>Fund Balance - Beginning</b>	<b>20,469,343</b>	<b>—</b>	<b>—</b>	<b>20,469,343</b>
<b>Fund Balances - Ending</b>	<b>11,259,193</b>	<b>—</b>	<b>—</b>	<b>11,259,193</b>

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**General Account - General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended June 30, 2025**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
<b>Local Sources</b>				
Taxes	\$ 49,474,062	49,474,062	49,474,062	—
Gifts, Fundraising, Contributions and Development	1,000	1,000	53,682	52,682
School Activity Income	65,000	65,000	77,110	12,110
Investment Income	841,087	841,087	470,376	(370,711)
Other Revenue from Local Sources	910,500	910,500	1,022,464	111,964
<b>Interdistrict Payments within Wisconsin</b>				
Payments for Services	10,560,000	10,560,000	10,355,315	(204,685)
<b>State Sources</b>				
State Aid - Categorical	404,064	404,064	1,262,972	858,908
State Aid - General	18,283,778	18,283,778	18,270,222	(13,556)
State Special Projects Grants	85,560	126,192	322,661	196,469
State Tuition Payments	1,650,000	1,650,000	2,194,216	544,216
State Revenue through Local Governments	8,000	8,000	8,228	228
Other Revenue from State Sources	7,087,596	7,087,596	7,092,792	5,196
<b>Federal Sources</b>				
Federal Aid - Categorical	40,000	40,000	39,640	(360)
Federal Special Projects Aid Transited through DPI	482,238	1,231,199	1,643,951	412,752
Elementary and Secondary Education Act (ESEA)	621,065	436,619	638,312	201,693
Federal Aid Received through State Agencies other than DPI	50,000	50,000	120,659	70,659
<b>Other Revenues</b>				
Adjustments	—	—	(75,469)	(75,469)
Refund of Disbursement	90,000	90,000	162,701	72,701
Other Miscellaneous Revenues	40,800	40,800	50,779	9,979
<b>Total Revenues</b>	<b>90,694,750</b>	<b>91,299,897</b>	<b>93,184,673</b>	<b>1,884,776</b>
<b>Expenditures</b>				
<b>Instruction</b>				
Undifferentiated Curriculum	15,413,937	16,271,588	16,119,464	152,124
Regular Curriculum	23,712,553	23,580,298	25,111,249	(1,530,951)
Vocational Curriculum	1,157,568	1,084,618	1,464,597	(379,979)
Physical Curriculum	2,018,504	2,020,504	2,220,723	(200,219)
Co-Curricular Activities	2,502,871	2,508,879	1,458,876	1,050,003
Other Special Needs	25,992	25,117	22,712	2,405
	<b>44,831,425</b>	<b>45,491,004</b>	<b>46,397,621</b>	<b>(906,617)</b>

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**General Account - General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued**

**For the Fiscal Year Ended June 30, 2025**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Expenditures - Continued</b>				
<b>Support Services</b>				
Pupil Services	\$ 5,385,993	5,179,435	5,242,008	(62,573)
Instructional Staff Services	12,659,811	12,727,789	9,553,398	3,174,391
General Administration	884,721	842,721	1,319,459	(476,738)
School Building Administration	4,968,973	4,962,473	6,013,320	(1,050,847)
Business Administration	10,183,247	11,062,118	11,025,043	37,075
Central Services	918,737	948,107	1,055,909	(107,802)
Insurance and Judgments	906,407	906,407	872,734	33,673
Other Support Services	3,142,947	3,565,973	3,385,552	180,421
	<u>39,050,836</u>	<u>40,195,023</u>	<u>38,467,423</u>	<u>1,727,600</u>
<b>Non-Program Transactions</b>				
Purchased Instructional Services	5,434,409	5,561,810	5,720,308	(158,498)
Other Non-Program Transactions	100,000	—	80,908	(80,908)
	<u>5,534,409</u>	<u>5,561,810</u>	<u>5,801,216</u>	<u>(239,406)</u>
<b>Debt Service</b>				
Principal Retirement	20,095	20,095	61,805	(41,710)
Interest and Fiscal Charges	—	—	67,741	(67,741)
	<u>20,095</u>	<u>20,095</u>	<u>129,546</u>	<u>(109,451)</u>
<b>Total Expenditures</b>	<u>89,436,765</u>	<u>91,267,932</u>	<u>90,795,806</u>	<u>472,126</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>1,257,985</u>	<u>31,965</u>	<u>2,388,867</u>	<u>2,356,902</u>
<b>Other Financing Sources (Uses)</b>				
Disposal of Capital Assets	—	—	6,574	6,574
Transfers Out	(10,657,983)	(10,967,963)	(11,605,591)	(637,628)
	<u>(10,657,983)</u>	<u>(10,967,963)</u>	<u>(11,599,017)</u>	<u>(631,054)</u>
<b>Net Change in Fund Balance</b>	<u>(9,399,998)</u>	<u>(10,935,998)</u>	<u>(9,210,150)</u>	<u>1,725,848</u>
<b>Fund Balance - Beginning</b>			<u>20,469,343</u>	
<b>Fund Balance - Ending</b>			<u>11,259,193</u>	

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Special Education Account - General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended June 30, 2025**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Interdistrict Payments within Wisconsin				
Payments for Services	\$ —	—	107,956	107,956
Intermediate Sources				
Transit of Aids	40,000	40,000	74,083	34,083
State Sources				
State Aid - Categorical	4,700,000	4,700,000	4,965,717	265,717
State Aid - General	183,000	183,000	170,413	(12,587)
State Tuition Payments	630,000	630,000	635,441	5,441
Other Revenue from State Sources	—	—	36,009	36,009
Federal Sources				
Federal Special Projects Aid Transited through DPI	1,688,743	1,593,947	1,403,081	(190,866)
Elementary and Secondary Education Act (ESEA)	126,616	126,616	—	(126,616)
Federal Aid Received through State Agencies				
Other than DPI	340,000	340,000	609,586	269,586
Total Revenues	<u>7,708,359</u>	<u>7,613,563</u>	<u>8,002,286</u>	<u>388,723</u>
<b>Expenditures</b>				
Instruction				
Special Education Curriculum	13,674,794	13,467,190	13,836,897	(369,707)
Support Services				
Pupil Services	1,496,199	1,462,780	2,116,966	(654,186)
Instructional Staff Services	551,080	683,510	649,245	34,265
School Building Administration	108,487	108,487	185,040	(76,553)
Business Administration	758,723	724,000	1,464,071	(740,071)
Central Services	—	2,500	4,170	(1,670)
Insurance and Judgments	—	—	30	(30)
Other Support Services	202,800	238,800	166,620	72,180
Non-Program Transactions				
Purchased Instructional Services	1,574,259	1,894,259	1,182,411	711,848
Debt Service				
Principal Retirement	—	—	2,427	(2,427)
Total Expenditures	<u>18,366,342</u>	<u>18,581,526</u>	<u>19,607,877</u>	<u>(1,026,351)</u>

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Special Education Account - General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued**

**For the Fiscal Year Ended June 30, 2025**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (10,657,983)	(10,967,963)	(11,605,591)	(637,628)
Other Financing Sources Transfers In	10,657,983	10,967,963	11,605,591	637,628
Net Change in Fund Balance	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund Balance - Beginning			<u>—</u>	
Fund Balance - Ending			<u>—</u>	

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Debt Service Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended June 30, 2025**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
Taxes	\$ 9,626,587	9,626,587	9,626,587	—
Investment Income	35,000	35,000	154,103	119,103
Other Revenues				
Adjustments	—	—	125,175	125,175
Total Revenues	<u>9,661,587</u>	<u>9,661,587</u>	<u>9,905,865</u>	<u>244,278</u>
Expenditures				
Debt Service				
Principal Retirement	11,970,000	11,970,000	11,970,000	—
Interest and Fiscal Charges	3,641,938	3,641,938	3,767,833	(125,895)
Total Expenditures	<u>15,611,938</u>	<u>15,611,938</u>	<u>15,737,833</u>	<u>(125,895)</u>
Net Change in Fund Balance	<u>(5,950,351)</u>	<u>(5,950,351)</u>	<u>(5,831,968)</u>	<u>118,383</u>
Fund Balance - Beginning			<u>8,880,442</u>	
Fund Balance - Ending			<u><u>3,048,474</u></u>	

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Combining Balance Sheet - Nonmajor Funds**

**June 30, 2025**

	Special Revenue			Capital Projects		Totals
	Gift	Food Service	Community Service	Capital Projects	Capital Expansion	
<b>ASSETS</b>						
Cash and Investments	\$ 1,567,354	1,469,815	1,662,691	—	2,392,424	7,092,284
Receivables - Net of Allowances						
Accounts	—	84,393	—	—	—	84,393
Due from Other Governments	—	35,405	—	—	—	35,405
Inventories	—	29,791	—	—	—	29,791
<b>Total Assets</b>	<b>1,567,354</b>	<b>1,619,404</b>	<b>1,662,691</b>	<b>—</b>	<b>2,392,424</b>	<b>7,241,873</b>
<b>LIABILITIES</b>						
Accounts Payable	2,861	95,012	48,299	—	—	146,172
Accrued Payroll	—	6,098	155,602	—	—	161,700
Other Liabilities	—	57,609	—	—	—	57,609
<b>Total Liabilities</b>	<b>2,861</b>	<b>158,719</b>	<b>203,901</b>	<b>—</b>	<b>—</b>	<b>365,481</b>
<b>FUND BALANCES</b>						
Nonspendable	—	29,791	—	—	—	29,791
Restricted	1,564,493	1,430,894	1,458,790	—	2,392,424	6,846,601
<b>Total Fund Balances</b>	<b>1,564,493</b>	<b>1,460,685</b>	<b>1,458,790</b>	<b>—</b>	<b>2,392,424</b>	<b>6,876,392</b>
<b>Total Liabilities and Fund Balances</b>	<b>1,567,354</b>	<b>1,619,404</b>	<b>1,662,691</b>	<b>—</b>	<b>2,392,424</b>	<b>7,241,873</b>

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Funds  
For the Fiscal Year Ended June 30, 2025**

	Special Revenue			Capital Projects		Totals
	Gift	Food Service	Community Service	Capital Projects	Capital Expansion	
<b>Revenues</b>						
Local						
Taxes	\$ —	—	1,400,000	—	—	1,400,000
Investment Income	48,568	—	—	—	27,682	76,250
Other	2,131,517	1,094,760	1,500,762	—	—	4,727,039
State Sources	—	23,228	—	—	—	23,228
Federal Sources	—	950,561	—	—	—	950,561
Other Revenues	—	13,426	—	—	3,310	16,736
<b>Total Revenues</b>	<b>2,180,085</b>	<b>2,081,975</b>	<b>2,900,762</b>	<b>—</b>	<b>30,992</b>	<b>7,193,814</b>
<b>Expenditures</b>						
Instruction	1,795,290	—	—	—	—	1,795,290
Support Services	165,433	2,707,848	578,559	—	1,512,147	4,963,987
Community Services	—	—	2,286,091	—	—	2,286,091
Nonprogram Transactions	64,698	—	—	—	—	64,698
Debt Service						
Principal Retirement	—	1,054	36,846	—	—	37,900
Interest and Fiscal Charges	—	—	7,673	—	—	7,673
<b>Total Expenditures</b>	<b>2,025,421</b>	<b>2,708,902</b>	<b>2,909,169</b>	<b>—</b>	<b>1,512,147</b>	<b>9,155,639</b>
<b>Net Change in Fund Balance</b>	<b>154,664</b>	<b>(626,927)</b>	<b>(8,407)</b>	<b>—</b>	<b>(1,481,155)</b>	<b>(1,961,825)</b>
<b>Fund Balances - Beginning as Previously Reported</b>	<b>1,409,829</b>	<b>2,087,612</b>	<b>1,467,197</b>	<b>747,354</b>	<b>—</b>	<b>5,711,992</b>
<b>Adjustments - Changes from Major to Nonmajor</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>3,873,579</b>	<b>3,873,579</b>
<b>Adjustments - Changes from Nonmajor to Major</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(747,354)</b>	<b>—</b>	<b>(747,354)</b>
<b>Fund Balances - Beginning as Adjusted</b>	<b>1,409,829</b>	<b>2,087,612</b>	<b>1,467,197</b>	<b>—</b>	<b>3,873,579</b>	<b>8,838,217</b>
<b>Fund Balances - Ending</b>	<b>1,564,493</b>	<b>1,460,685</b>	<b>1,458,790</b>	<b>—</b>	<b>2,392,424</b>	<b>6,876,392</b>

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Food Service - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended June 30, 2025**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local				
Food Service	\$ 1,025,036	1,025,036	1,094,760	69,724
State Sources				
State Aid - Categorical	35,000	35,000	23,228	(11,772)
Federal Sources				
Federal Aid - Categorical	1,091,000	1,091,000	950,561	(140,439)
Other Revenues				
Other Miscellaneous Revenues	10,864	10,864	13,426	2,562
Total Revenues	<u>2,161,900</u>	<u>2,161,900</u>	<u>2,081,975</u>	<u>(79,925)</u>
Expenditures				
Support Services				
Business Administration	—	2,849,374	2,707,848	141,526
Debt Service				
Principal Retirement	—	—	1,054	(1,054)
Total Expenditures	<u>—</u>	<u>2,849,374</u>	<u>2,708,902</u>	<u>140,472</u>
Net Change in Fund Balance	<u>2,161,900</u>	<u>(687,474)</u>	<u>(626,927)</u>	<u>60,547</u>
Fund Balance - Beginning			<u>2,087,612</u>	
Fund Balance - Ending			<u>1,460,685</u>	

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Community Service - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended June 30, 2025**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
Taxes	\$ 1,400,000	1,400,000	1,400,000	—
School Activity Income	1,377,620	1,377,620	1,500,762	123,142
Total Revenues	<u>2,777,620</u>	<u>2,777,620</u>	<u>2,900,762</u>	<u>123,142</u>
Expenditures				
Support Services				
Business Administration	—	910,871	565,535	345,336
Central Services	—	8,000	7,491	509
Insurance and Judgments	—	2,000	5,509	(3,509)
Other Support Services	—	—	24	(24)
Community Services				
Other Community Services	—	1,885,688	2,286,091	(400,403)
Debt Service				
Principal Retirement	—	1,500	36,846	(35,346)
Interest and Fiscal Charges	—	—	7,673	(7,673)
Total Expenditures	<u>—</u>	<u>2,808,059</u>	<u>2,909,169</u>	<u>(101,110)</u>
Net Change in Fund Balance	<u>2,777,620</u>	<u>(30,439)</u>	<u>(8,407)</u>	<u>22,032</u>
Fund Balance - Beginning			<u>1,467,197</u>	
Fund Balance - Ending			<u>1,458,790</u>	

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Capital Expansion - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended June 30, 2025**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
Investment Income	\$ —	—	27,682	27,682
Other Revenues				
Refund of Disbursement	—	—	3,310	3,310
Total Revenues	—	—	30,992	30,992
Expenditures				
Support Services				
Business Administration	—	2,000,000	1,512,147	487,853
Net Change in Fund Balance	—	(2,000,000)	(1,481,155)	518,845
Fund Balance - Beginning			3,873,579	
Fund Balance - Ending			2,392,424	

## **SUPPLEMENTAL SCHEDULES**

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Schedule of Charter School Authorized Costs**

**June 30, 2025**

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Operating Activity	WUFAR Object Code	Cost
Employee Salaries	100	\$ 4,513
Employee Benefits	200	<u>1,152</u>
Total		<u><u>5,665</u></u>

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Long-Term Debt Requirements**

**General Obligation Refunding Bonds of 2019A**

**June 30, 2025**

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Date of Issue	March 6, 2019
Date of Maturity	March 1, 2037
Authorized Issue	\$63,000,000
Interest Rates	3.00% to 5.00%
Interest Dates	September 1 and March 1
Principal Maturity Date	March 1
Payable at	Associated Trust Company

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2026	\$ —	1,745,938	1,745,938
2027	6,025,000	1,745,938	7,770,938
2028	—	1,444,688	1,444,688
2029	6,525,000	1,444,688	7,969,688
2030	—	1,118,438	1,118,438
2031	6,925,000	1,118,438	8,043,438
2032	—	841,438	841,438
2033	7,425,000	841,438	8,266,438
2034	—	544,438	544,438
2035	7,925,000	544,438	8,469,438
2036	—	286,876	286,876
2037	8,500,000	286,876	8,786,876
	<u>43,325,000</u>	<u>11,963,632</u>	<u>55,288,632</u>

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Long-Term Debt Requirements  
General Obligation Refunding Bonds of 2019B  
June 30, 2025**

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Date of Issue	March 6, 2019
Date of Maturity	September 1, 2038
Authorized Issue	\$61,900,000
Interest Rates	3.00% to 5.00%
Interest Dates	September 1 and March 1
Principal Maturity Date	September 1
Payable at	Associated Trust Company

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2026	\$ —	1,458,000	1,458,000
2027	5,880,000	1,311,000	7,191,000
2028	—	1,164,000	1,164,000
2029	5,825,000	1,018,375	6,843,375
2030	—	872,750	872,750
2031	5,810,000	785,600	6,595,600
2032	—	698,450	698,450
2033	5,730,000	608,919	6,338,919
2034	—	519,388	519,388
2035	5,730,000	426,275	6,156,275
2036	—	333,162	333,162
2037	5,630,000	238,156	5,868,156
2038	—	143,150	143,150
2039	4,090,000	71,575	4,161,575
	38,695,000	9,648,800	48,343,800

**WAUWATOSA SCHOOL DISTRICT, WISCONSIN**

**Long-Term Debt Requirements**

**Promissory Notes of 2024**

**June 30, 2025**

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Date of Issue	May 18, 2025
Date of Maturity	April 1, 2045
Authorized Issue	\$15,000,000
Interest Rates	4.25% to 5.00%
Interest Dates	October 1 and April 1
Principal Maturity Date	April 1
Payable at	Associated Trust Company

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2026	\$ —	652,682	652,682
2027	—	665,625	665,625
2028	—	665,625	665,625
2029	—	665,625	665,625
2030	—	665,625	665,625
2031	—	665,625	665,625
2032	—	665,625	665,625
2033	—	665,625	665,625
2034	—	665,625	665,625
2035	—	665,625	665,625
2036	—	665,625	665,625
2037	—	665,625	665,625
2038	—	665,625	665,625
2039	1,825,000	665,625	2,490,625
2040	1,925,000	574,375	2,499,375
2041	2,030,000	478,125	2,508,125
2042	2,140,000	391,850	2,531,850
2043	2,255,000	300,900	2,555,900
2044	2,360,000	205,062	2,565,062
2045	2,465,000	104,763	2,569,763
	<u>15,000,000</u>	<u>11,360,882</u>	<u>26,360,882</u>

**APPENDIX B**

**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Wauwatosa School District, Milwaukee County, Wisconsin (the "Issuer") in connection with the issuance of \$45,000,000 General Obligation Promissory Notes, dated April 9, 2026 (the "Securities"). The Securities are being issued pursuant to resolutions adopted on June 17, 2024, July 22, 2024 and March 23, 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](http://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 March 23, 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 Wauwatosa School District, Milwaukee County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Director of Finance of the Issuer who can be contacted at 12121 West North Avenue, Wauwatosa, Wisconsin 53226, phone (414) 773-1000, fax (414) 773-1059.

"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 9th day of April, 2026.

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Dr. Lynne M. Woehrle  
District President

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Heidi Bach  
District Clerk

**APPENDIX C**

**FORM OF LEGAL OPINION**

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

April 9, 2026

Re: Wauwatosa School District, Wisconsin ("Issuer")  
\$45,000,000 General Obligation Promissory Notes,  
dated April 9, 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 April 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2028	\$ 355,000	___%
2029	125,000	___
2030	1,030,000	___
2031	260,000	___
2032	1,640,000	___
2033	325,000	___
2034	2,230,000	___
2035	415,000	___
2036	2,925,000	___
2037	470,000	___
2038	805,000	___
2039	3,360,000	___
2040	3,525,000	___
2041	3,695,000	___
2042	3,860,000	___
2043	4,035,000	___
2044	4,235,000	___
2045	4,450,000	___
2046	7,260,000	___

Interest is payable semi-annually on April 1 and October 1 of each year commencing on October 1, 2026.

The Notes maturing on April 1, 2035 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on April 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**

**WAUWATOSA SCHOOL DISTRICT  
Milwaukee County, Wisconsin**

**\$45,000,000 General Obligation Promissory Notes**

**Sale Data:**

**Sale Date and Time:** Monday, March 23, 2026  
10:00 a.m. Central Time

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

Attention: Ms. Danielle Olson  
Phone: (414) 298-2657

Bids will be accepted electronically via  
PARITY

OFFICIAL NOTICE OF SALE

\$45,000,000  
WAUWATOSA SCHOOL DISTRICT  
MILWAUKEE COUNTY, WISCONSIN  
GENERAL OBLIGATION PROMISSORY NOTES  
DATED APRIL 9, 2026 (THE "NOTES")

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NOTICE IS HEREBY GIVEN that bids will be received by the Wauwatosa School District, Milwaukee County, 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: Danielle Olson, until 10:00 a.m. (Central Time) on:

March 23, 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 Wauwatosa School District 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 April 9, 2026 and will mature on April 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount*</u>
2028	\$ 355,000
2029	125,000
2030	1,030,000
2031	260,000
2032	1,640,000
2033	325,000
2034	2,230,000
2035	415,000
2036	2,925,000

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\* 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> *
2037	\$ 470,000
2038	805,000
2039	3,360,000
2040	3,525,000
2041	3,695,000
2042	3,860,000
2043	4,035,000
2044	4,235,000
2045	4,450,000
2046	7,260,000

Interest: Interest on the Notes will be payable semi-annually on April 1 and October 1 of each year, commencing on October 1, 2026 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 April 1, 2035 and thereafter will be subject to redemption prior to maturity, at the option of the District, on April 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 April 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 costs of school building and facility projects consisting of: deferred maintenance and Americans with Disabilities Act (ADA) facilities standards capital projects at Eisenhower, Madison, Roosevelt, Jefferson, and Washington Elementary Schools, and Montessori/Fisher and Americans with

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\* 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.

Disabilities Act (ADA) facilities standards capital projects at Wauwatosa East and Wauwatosa West High Schools.

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 (\$45,000,000) nor more than One Hundred Seven Percent (107%) of the principal amount of the Notes (\$48,150,000) 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 \$277,065.**

**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 \$900,000 may be submitted contemporaneously with the bid or, in the alternative, a deposit in the amount of \$900,000 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 (March 23, 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: Danielle Olson, (414) 298-2657, Emily Timmerman, (414) 298-7856, or the undersigned.

Jessica Huinker  
Director of Finance  
Wauwatosa School District  
12121 West North Avenue  
Wauwatosa, Wisconsin 53226  
Phone: (414) 773-1000

Exhibit A  
(to Official Notice of Sale)

Wauwatosa School District, Wisconsin ("District")  
\$45,000,000  
General Obligation Promissory Notes,  
dated April 9, 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 March 23, 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: April 9, 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)