

**EAU CLAIRE AREA SCHOOL DISTRICT
EXECUTIVE AUDIT SUMMARY (EAS)
YEAR ENDED JUNE 30, 2024**



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAconnect.com](https://www.CLAconnect.com)

**EAU CLAIRE AREA SCHOOL DISTRICT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2024**

AUDIT FINDINGS AND RESULTS	1
APPENDIX A	
FORMAL REQUIRED COMMUNICATIONS	2
APPENDIX B	
FINANCIAL STATEMENT NOTATIONS	6

**EAU CLAIRE AREA SCHOOL DISTRICT
AUDIT FINDINGS AND RESULTS
YEAR ENDED JUNE 30, 2024**

Audit Report Summary

We prepared this Executive Audit Summary and Management Report in conjunction with our audit of the District's financial records for the year ended June 30, 2024. The following is a summary of reports we have issued:

Audit Opinion

The financial statements are fairly stated. We issued what is known as an "unmodified" audit opinion.

Internal Controls Over Financial Reporting

Our report on internal control did not include any material weaknesses in internal controls over financial reporting.

Compliance and Internal Control Over Compliance

As part of our audit, we tested the District's compliance with the requirements of laws, regulations, contracts and grants applicable to federal and state programs as well as the District's internal controls over compliance. We reported that the District complied with these requirements and that we did not identify any material weaknesses in the related internal controls.



APPENDIX A FORMAL REQUIRED COMMUNICATIONS

Board of Education
Eau Claire Area School District
Eau Claire, Wisconsin

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Eau Claire Area School District (the District) as of and for the year ended June 30, 2024, and have issued our report thereon dated November 25, 2024. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Wisconsin *State Single Audit Guidelines*, as well as certain information related to the planned scope and timing of our audit in our engagement letter dated July 1, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during 2024.

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- **Claims Payable:** The estimates of claims payable accrued for the District's self-funding insurance at June 30, 2024 are based on outside authoritative guidance.
- **Actuarial Assumptions:** The actuarial assumptions used for the single-employer other postemployment benefits and supplemental pension plan liabilities and related deferred outflows and inflows of resources are outlined in the notes to the basic financial statements.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

Corrected misstatements

Management did not identify and we did not notify them of any financial statement misstatements detected as a result of audit procedures.

Disagreements with management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated November 25, 2024.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the District’s financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the school’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Required supplementary information

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management’s responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

Supplementary information in relation to the financial statements as a whole

With respect to the schedule of expenditures of federal awards (SEFA) and the schedule of state financial assistance (SSFA) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the SEFA and SSFA to determine that the SEFA and SSFA comply with the requirements of the *Uniform Guidance* and the *State Single Audit Guidelines*, respectively, the method of preparing them has not changed from the prior period or the reasons for such changes, and the SEFA and SSFA are appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the SEFA and SSFA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated November 25, 2024.

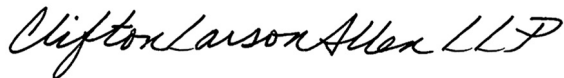
With respect to the individual and combining fund statements and schedules and charter school authorizer annual report, section VI and VII only (the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated November 25, 2024.

Other information included in annual reports

Other information (financial or nonfinancial information other than the financial statements and our auditors' report thereon) is being included in your annual report and is comprised of the charter school authorization annual report, sections I through V. Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information included in your annual report and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report. Our auditors' report on the financial statements includes a separate section, "Other Information," which states we do not express an opinion or any form of assurance on the other information included in the annual report. We did not identify any material inconsistencies between the other information and the audited financial statements.

* * *

This communication is intended solely for the information and use of the Board of Education and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
November 25, 2024

**EAU CLAIRE AREA SCHOOL DISTRICT
FINANCIAL STATEMENT NOTATIONS
YEAR ENDED JUNE 30, 2024**

APPENDIX B

The following information has been derived from management's financial statements. These tables are not intended to present all of the information and disclosures required by accounting principles generally accepted in the United States of America. Rather, the tables presented below are offered for the purpose of providing a multi-year trend analysis for discussion purposes. We were not engaged nor do we provide an opinion on the tables presented below. Please contact the office of the District Director of Business Services for copies of management's financial statements and refer to the independent auditors' report included therein for the opinions issued in connection with those financial statements.

**EAU CLAIRE AREA SCHOOL DISTRICT
FINANCIAL STATEMENT NOTATIONS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Financial Statement Notations

Item
#

- 1 **General Fund:** The General fund is the general operating fund of the District. It is used to account for all financial resources which are not required to be accounted for in another fund.

	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Fund 10 Balance Sheet Summary:				
Cash and Investments	\$ 26,048,498	\$ 25,350,481	\$ 26,077,788	\$ 24,310,947
Receivables				
Taxes	20,540,833	17,404,909	17,402,575	18,395,257
Accounts	271,367	890,312	300,918	760,036
Due from Other Governments	4,223,787	4,855,956	4,511,524	3,638,806
Due from Other Funds	78,369	317,400	248,723	162,993
Inventories and Prepaid Items	1,408,739	3,178,370	3,794,901	3,206,219
Total Assets	\$ 52,571,593	\$ 51,997,428	\$ 52,336,429	\$ 50,474,258
Short-Term Note Payable	\$ 4,000,000	\$ -	\$ -	\$ -
Accounts Payable	1,388,597	1,556,490	1,971,114	2,516,142
Accrued Liabilities				
Payroll, Payroll Taxes, Insurance	10,304,370	9,274,733	8,058,578	7,251,041
Due to Other Funds	3,061,422	-	-	-
Unearned Revenues	55,192	91,958	51,500	3,560
Total Liabilities	18,809,581	10,923,181	10,081,192	9,770,743
Fund Balance:				
Non-Spendable	1,408,739	3,178,370	3,794,901	3,206,219
Restricted	-	244,410	159,705	-
Assigned	1,216,377	1,032,910	923,208	749,105
Unassigned	31,136,896	36,618,557	37,377,423	36,748,191
Total Fund Balance	33,762,012	41,074,247	42,255,237	40,703,515
Revenues	\$ 157,543,676	\$ 151,971,395	\$ 149,886,185	\$ 146,954,856
Expenditures	(145,110,358)	(135,218,394)	(131,067,713)	(125,660,271)
Excess Revenue (Expenditures)	12,433,318	16,753,001	18,818,472	21,294,585
Net Other Financing Sources (Uses)	(19,745,553)	(17,933,991)	(17,266,750)	(16,033,496)
Net Change in Fund Balance	\$ (7,312,235)	\$ (1,180,990)	\$ 1,551,722	\$ 5,261,089

**EAU CLAIRE AREA SCHOOL DISTRICT
FINANCIAL STATEMENT NOTATIONS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Financial Statement Notations

Item
#

2	Fund Balances	<u>6/30/2024</u>	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>
	Major Funds				
	General Fund	\$ 33,762,012	\$ 41,074,247	\$ 41,074,247	\$ 42,255,237
	Debt Service Fund	3,402,761	3,337,418	3,148,089	3,221,913
	Nonmajor Funds				
	Donations Fund	1,373,816	981,399	994,685	960,194
	Capital Projects Fund	77,231,303	98,288,407	446,430	453,181
	Food Service	3,795,912	3,799,315	3,266,793	1,564,773
	Community Service	1,889,393	2,044,823	2,168,682	2,214,118
		<u>\$ 121,455,197</u>	<u>\$ 149,525,609</u>	<u>\$ 51,098,926</u>	<u>\$ 50,669,416</u>
3	Long-Term Obligations	<u>6/30/2024</u>	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>
	General Obligation Debt:				
	General Obligation Bonds and Notes	\$ 120,320,000	\$ 127,920,000	\$ 41,030,000	\$ 45,585,000
	Plus Deferred Premium	8,401,816	9,310,227	4,311,525	4,645,260
	Total General Obligation Debt	<u>128,721,816</u>	<u>137,230,227</u>	<u>45,341,525</u>	<u>50,230,260</u>
	Non-General Obligation Debt:				
	Lease and Financed Purchase Liabilities	620,509	1,580,904	3,033,167	3,894,603
	Other Long-Term Liabilities:				
	Vested Employee Benefits	539,454	515,273	364,970	378,251
	Other Postemployment Benefits	42,295,843	49,104,953	50,856,388	69,732,403
	Pension Benefits	3,373,596	2,212,593	2,231,376	2,164,255
	WRS Pension Plan Liability	6,393,583	22,120,667	-	-
	LRLIF OPEB Liability	5,130,760	4,181,133	6,560,563	6,223,720
	Total Other Long-Term Liabilities	<u>57,733,236</u>	<u>78,134,619</u>	<u>60,013,297</u>	<u>78,498,629</u>
	Total Long-Term Liabilities	<u>\$ 187,075,561</u>	<u>\$ 216,945,750</u>	<u>\$ 108,387,989</u>	<u>\$ 132,623,492</u>
	 General Obligation Debt as Percent of Debt Limitation	10.8%	13.0%	4.7%	5.5%



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.