

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN**

**FINANCIAL STATEMENTS, REQUIRED SUPPLEMENTARY
INFORMATION, AND SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2024



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GREEN BAY, WISCONSIN
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GREEN BAY, WISCONSIN
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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Northeast Wisconsin Technical College
Green Bay, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of the Northeast Wisconsin Technical College (the District), as of and for the year ended June 30, 2024, 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 District, the discretely presented component unit, and the aggregate remaining fund information of the District, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Northeast Wisconsin Technical College Educational Foundation, Inc., the discretely presented component unit, were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, other postemployment benefits plan information, and the pension plan information, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual budgetary basis (non-GAAP) comparison schedules, the schedule to reconcile the combined balance sheet all fund types to the statement of net position, and the schedule to reconcile the budget (non-GAAP) basic financial statements to the statement of revenues, expenses and changes in net position (the supplementary information), are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the individual budgetary basis (non-GAAP) comparison schedules, the schedule to reconcile the combined balance sheet all fund types to the statement of net position, and the schedule to reconcile the budget (non-GAAP) basic financial statements to the statement of revenues, expenses and changes in net position are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Board of Trustees
Northeast Wisconsin Technical College

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Milwaukee, Wisconsin
December 13, 2024

Northeast Wisconsin Technical College

Management's Discussion and Analysis

The purpose of Management's Discussion and Analysis (MD&A) is to provide users of the basic financial statements with a narrative introduction, overview, and analysis of those statements. The MD&A provides summary level financial information; therefore, it should be read in conjunction with the accompanying financial statements. The Northeast Wisconsin Technical College Educational Foundation, Inc. is included as a component unit in the basic financial statements; however, the MD&A below includes only the activities of Northeast Wisconsin Technical College ("the District").

Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to District's basic financial statements. The statements are comprised of two components: government-wide financial statements and notes to financial statements.

Government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business.

- **The statement of net position** presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them 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. This statement is prepared under the accrual basis of accounting whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged.
- **The statement of revenues, expenses, and changes in net position** presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or nonoperating. As the District receives most of its revenues from the taxpayers and other government entities, the District will report an operating deficit or loss. Revenues received from taxpayers (tax levies) and from the state (state appropriations) are considered nonoperating revenue and reduce the operating deficit or loss. The utilization of capital assets is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.
- **The statement of cash flows** presents information related to cash inflows and outflows summarized by operating, noncapital, capital, and investing activities. This statement is important in evaluating the District's ability to meet financial obligations as they mature.

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements. The notes to basic financial statements are located after the government-wide financial statements in this report.

The following summary shows a condensed version of the Statement of Net Position
(dollars in thousands)

	2024	2023	Increase/(Decrease)	
			\$	%
			2024-2023	
Assets:				
Cash and Cash Equivalents	\$ 41,430	\$ 38,608	\$ 2,822	7.3%
Current and Other Assets	15,366	17,510	(2,144)	(12.2%)
Lease Receivable, Less Current Portion	23	158	(135)	(85.4%)
Capital Assets	128,228	130,151	(1,923)	(1.5%)
Total Assets	185,047	186,427	(1,380)	(0.7%)
Deferred Outflows of Resources	41,087	64,799	(23,712)	(36.6%)
Total Assets and Deferred Outflows of Resources	\$ 226,134	\$ 251,226	\$ (25,092)	(10.0%)
Liabilities:				
Current Liabilities	\$ 31,044	\$ 29,545	\$ 1,499	5.1%
Long-Term Liabilities	89,822	87,425	2,397	2.7%
Net Pension Liability	4,663	17,363	(12,700)	(73.1%)
Total Liabilities	125,529	134,333	(8,804)	(6.6%)
Deferred Inflows of Resources	25,414	37,171	(11,757)	(31.6%)
Net Position:				
Net Investment In Capital Assets	33,069	37,138	(4,069)	(11.0%)
Restricted	6,488	4,852	1,636	33.7%
Unrestricted	35,634	37,732	(2,098)	(5.6%)
Total Net Position	75,191	79,722	(4,531)	(5.7%)
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 226,134	\$ 251,226	\$ (25,092)	(10.0%)

Fiscal Year 2024 Compared to 2023

Total assets decreased by \$1.4 million, or 0.7%, for the fiscal year:

- Capital assets decreased by \$1.9 million, or 1.5%. This was a result of the change in capital assets and the impact of the accumulated depreciation and amortization on those assets.

Deferred outflows of resources is a consumption of net benefits by the District that is applicable to future reporting periods. Deferred outflows of resources decreased by \$23.7 million, or 36.6%, primarily due to the net difference between projected and actual earnings on the pension plan investments and the differences between expected and actual experiences with the pension plan.

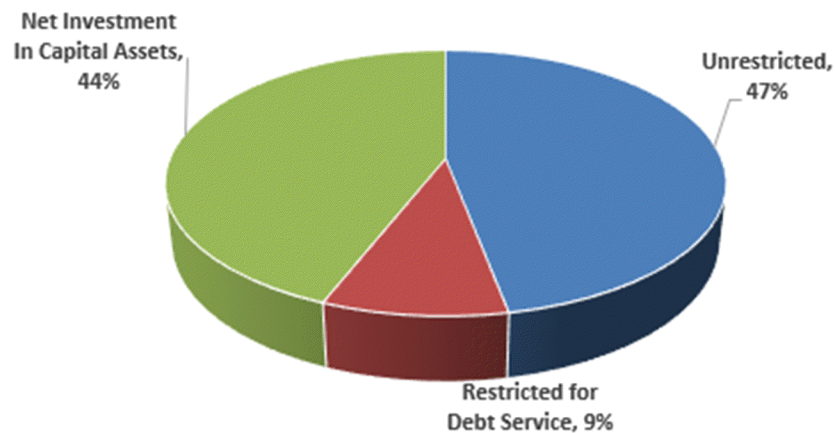
Total liabilities decreased \$8.8 million, or 6.6% for the fiscal year:

- Current liabilities increased by \$1.5 million, or 5.1%, and noncurrent liabilities increased by \$2.4 million, or 2.7%.
- Net pension liability decreased \$12.7 million, or 73.1%.

Deferred inflows of resources is an acquisition of net obligations by the District that is applicable to a future reporting period. Deferred inflows of resources decreased by \$11.8 million, or 31.6%, primarily due to the differences between expected and actual experiences with the pension plan.

Net position decreased by \$4.5 million, or 5.7%, for the fiscal year. The decrease was the result of a \$1.6 million, or 33.7%, increase in restricted net position; a \$2.1 million, or 5.6%, decrease in unrestricted; and a \$4.1 million, or 11.0%, decrease in net investment in capital assets.

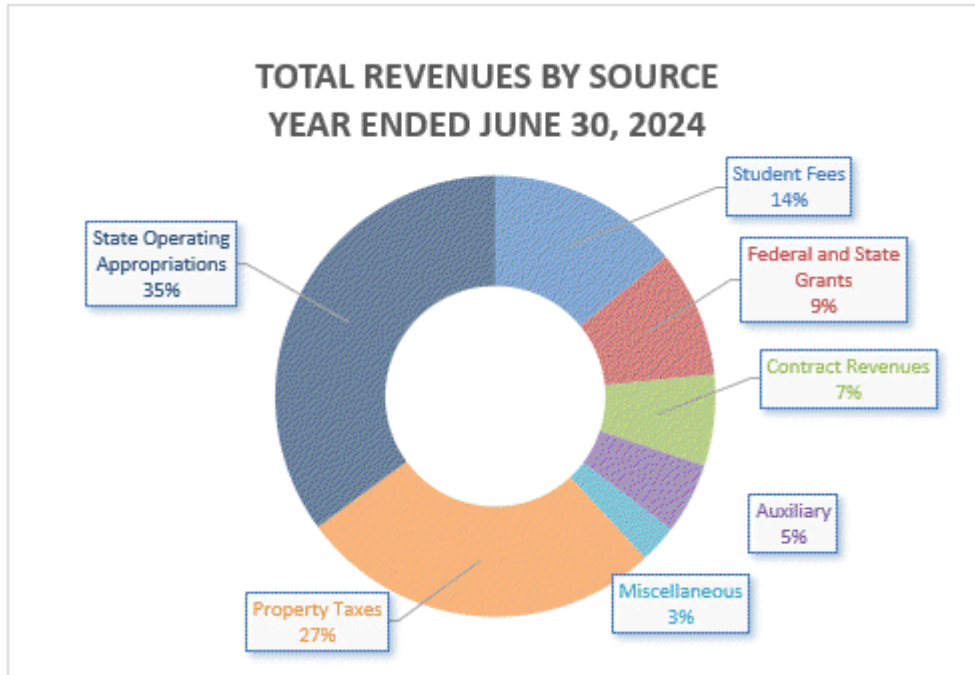
The following is a graphical illustration of the District's net position for the current fiscal year:



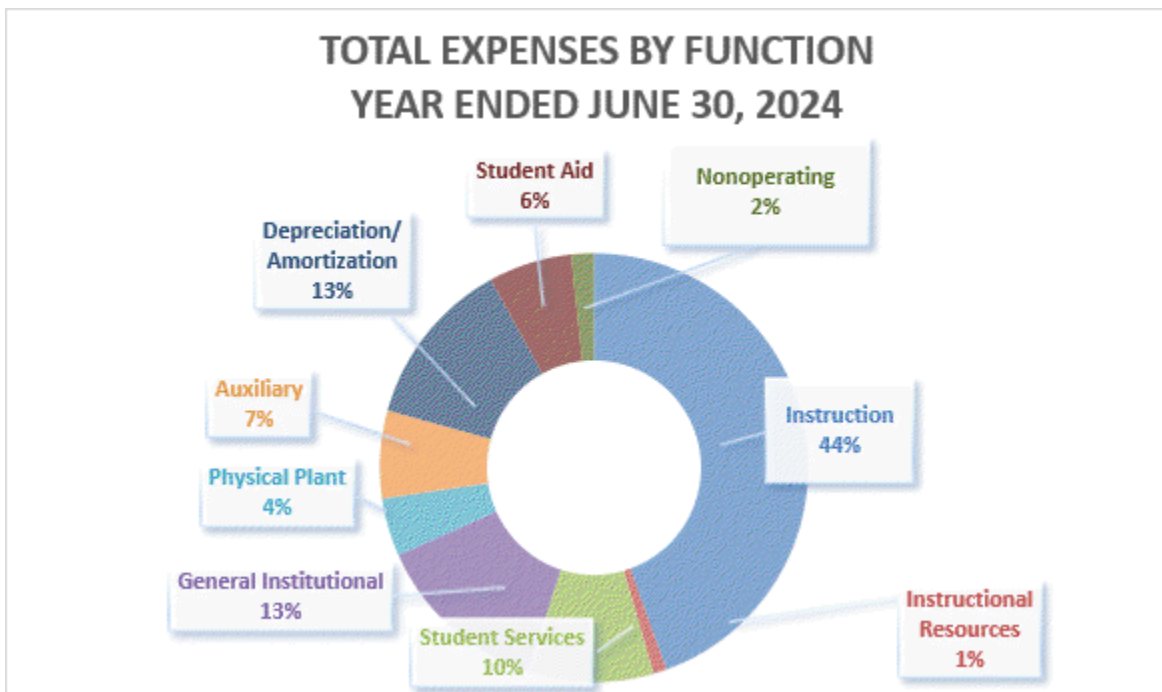
The following is a summary of the Statements of Revenues, Expenses, and Changes in Net Position (dollars in thousands):

	2024	2023	Increase / (Decrease)	
			\$	%
			2024-2023	
Operating Revenues				
Student Fees	\$ 19,639	\$ 18,530	\$ 1,109	6.0%
Federal and State Grants	3,875	6,166	(2,291)	(37.2%)
Contract Revenues	9,368	8,616	752	8.7%
Auxiliary Revenues	7,192	6,797	395	5.8%
Miscellaneous	2,368	2,072	296	14.3%
Operating Revenues	<u>42,442</u>	<u>42,181</u>	<u>261</u>	<u>0.6%</u>
Nonoperating Revenues				
Property Taxes	37,336	35,924	1,412	3.9%
State Operating Appropriations	48,839	46,604	2,235	4.8%
Federal Nonoperating Grants	9,117	14,665	(5,548)	(37.8%)
Investment Income	1,400	878	522	59.5%
Gain on Sale of Capital Assets	103	-	103	-
Nonoperating Revenues	<u>96,795</u>	<u>98,071</u>	<u>(1,276)</u>	<u>(1.3%)</u>
Total Revenues	<u>139,237</u>	<u>140,252</u>	<u>(1,015)</u>	<u>(0.7%)</u>
Operating Expenses				
Instruction	63,942	65,966	(2,024)	(3.1%)
Instructional Resources	1,446	1,356	90	6.6%
Student Services	13,599	13,884	(285)	(2.1%)
General Institutional	19,190	15,371	3,819	24.8%
Physical Plant	6,262	6,739	(477)	(7.1%)
Auxiliary Services	9,527	8,269	1,258	15.2%
Depreciation/Amortization	18,330	15,529	2,801	18.0%
Student Aid	9,028	10,755	(1,727)	(16.1%)
Operating Expense	<u>141,324</u>	<u>137,869</u>	<u>3,455</u>	<u>2.5%</u>
Nonoperating Expenses				
Loss on Sale of Capital Assets	-	5	(5)	(100.0%)
Interest Expense	2,216	2,055	161	7.8%
Bond Issuance Costs	252	265	(13)	(4.9%)
Nonoperating Expenses	<u>2,468</u>	<u>2,325</u>	<u>143</u>	<u>6.2%</u>
Total Expenses	<u>143,792</u>	<u>140,194</u>	<u>3,598</u>	<u>2.6%</u>
Income (Loss) Before Capital Contributions	(4,555)	58	(4,613)	(7953.4%)
Capital Contributions	24	61	(37)	(60.7%)
Change in Net Position	<u>(4,531)</u>	<u>119</u>	<u>(4,650)</u>	<u>(3907.6%)</u>
Net Position - Beginning of Year	<u>79,722</u>	<u>79,603</u>		
Net Position - End of Year	<u>\$ 75,191</u>	<u>\$ 79,722</u>		

Below is a graphical illustration of total revenues by source for the fiscal year ended June 30, 2024:



Below is a graphical illustration of total expenses by function for the fiscal year ended June 30, 2024:



Fiscal Year 2024 Compared to 2023

Operating revenues are the charges for services offered by the District. During fiscal year 2024, the District generated \$42.4 million in operating revenues, an increase of \$0.3 million, or 0.6%. This increase was primarily due to a \$1.1 million increase in student fees and a \$0.8 million increase in contract revenues.

Operating expenses are costs related to offering the programs of the District. During fiscal year 2024, operating expenses were \$141.3 million, an increase of \$3.5 million, or 2.5%. Instruction expenses decreased \$2.0 million, or 3.1%, and general institutional expenses increased by \$3.8 million, or 24.8%.

Nonoperating revenues are revenues not directly related to providing instruction. During 2024, the District generated \$96.8 million of nonoperating revenues, a decrease of \$1.3 million, or 1.3%. Federal Nonoperating Grants decreased \$5.5 million primarily due to the completion of Higher Education Emergency Relief funding in fiscal year 2023.

Nonoperating expenses are expenses not directly related to providing instruction. During 2024, total nonoperating expenses for the District were \$2.5 million, an increase of \$0.1 million, or 6.2%.

Capital Asset and Debt Administration

The District's investment in capital assets as of June 30, 2024, and 2023, net of accumulated depreciation and amortization, amounted to \$128.2 million and \$130.2 million, respectively. This investment in capital assets includes land and land improvements, construction in progress, buildings and improvements, moveable equipment, and subscription based information technology arrangements (SBITAs). Additional information on the District's capital assets can be found in Note 2C of the financial statements.

At the end of the current fiscal year, the District had total general obligation debt outstanding of \$94.3 million. The balance at the end of June 30, 2023, was \$91.9 million. The District's bonds and notes continue to maintain a Moody's Investors Service Aa1 rating, and the District continues to meet all its debt service requirements. All general obligation debt is repaid over the life of the assets acquired with debt proceeds. The current debt adequately replaces and expands the equipment and facility needs of the District. Additional information on the District's long-term debt can be found in Note 2D of the financial statements.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mr. Adam Pfof, Vice President of Finance and Administration, 2740 West Mason Street, P.O. Box 19042, Green Bay, Wisconsin 54307-9042.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
STATEMENT OF NET POSITION
JUNE 30, 2024**

ASSETS	District	Foundation
CURRENT ASSETS		
Cash and Investments	\$ 30,337,776	\$ 1,385,505
Restricted Cash and Cash Equivalents	11,092,377	-
Receivables:		
Property Taxes	9,843,796	-
Accounts, Net	4,693,735	7,330
Leases	134,943	-
Unconditional Promises to Give, Net	-	414,625
Inventories	466,792	-
Prepaid Items	226,780	-
Total Current Assets	56,796,199	1,807,460
NONCURRENT ASSETS		
Investments	-	8,022,128
Unconditional Promises to Give, Net	-	179,372
Lease Receivable, Less Current Portion	22,654	-
Beneficial Interest in Assets Held by Community Foundation	-	27,673
Capital Assets:		
Non-Depreciable and Non-Amortizable	8,539,125	-
Depreciable and Amortizable	215,908,696	-
Accumulated Depreciation and Amortization	(96,219,890)	-
Total Noncurrent Assets	128,250,585	8,229,173
 Total Assets	 185,046,784	 10,036,633
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows Related to Pension	39,390,936	-
Deferred Outflows Related to OPEB	1,695,923	-
Total Deferred Outflows of Resources	41,086,859	-

See accompanying Notes to Basic Financial Statements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2024**

LIABILITIES	District	Foundation
CURRENT LIABILITIES		
Accounts Payable	\$ 2,694,614	\$ 66,891
Accrued Payroll, Payroll Taxes, and Fringes	5,409,140	-
Accrued Interest	713,520	-
Unearned Revenue	1,536,680	-
Current Portion of Other Postemployment Benefit Liability	837,288	-
Current Portion of SBITA Liability	2,208,009	-
Current Portion of Bonds and Notes Payable	17,645,000	-
Total Current Liabilities	31,044,251	66,891
LONG-TERM LIABILITIES		
SBITA Liability	7,470,203	-
Bonds and Notes Payable	76,700,302	-
Net Pension Liability	4,662,498	-
Other Postemployment Benefit Liability	5,651,666	-
Total Long-Term Liabilities	94,484,669	-
Total Liabilities	125,528,920	66,891
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows Related to Lease	154,928	-
Deferred Inflows Related to Pension	24,913,254	-
Deferred Inflows Related to OPEB	345,858	-
Total Deferred Inflows of Resources	25,414,040	-
NET POSITION		
Net Investment In Capital Assets	33,068,566	-
Restricted for:		
Debt Service	6,488,275	-
Scholarships and Other Activities	-	9,147,993
Unrestricted	35,633,842	821,749
Total Net Position	\$ 75,190,683	\$ 9,969,742

See accompanying Notes to Basic Financial Statements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2024**

	District	Foundation
OPERATING REVENUES		
Student Program Fees, Net of Scholarship Allowances of \$2,579,957	\$ 16,479,021	\$ -
Student Material Fees, Net of Scholarship Allowances of \$155,419	870,429	-
Other Student Fees, Net of Scholarship Allowances of \$373,006	2,289,561	-
Federal Grants	3,407,172	-
State Grants	467,782	-
Contract Revenue	9,368,470	-
Auxiliary Revenues	7,192,077	-
Miscellaneous	2,367,898	2,692,021
Total Operating Revenues	42,442,410	2,692,021
OPERATING EXPENSES		
Instruction	63,942,335	-
Instructional Resources	1,445,764	-
Student Services	13,598,644	-
General Institutional	19,190,161	758,320
Physical Plant	6,262,207	-
Auxiliary Services	9,527,288	-
Depreciation\Amortization	18,330,475	-
Student Aid	9,027,644	1,291,912
Total Operating Expenses	141,324,518	2,050,232
OPERATING INCOME (LOSS)	(98,882,108)	641,789
NONOPERATING REVENUES (EXPENSES)		
Property Taxes	37,336,420	-
State Operating Appropriations	48,839,408	-
Federal Nonoperating Grants	9,116,971	-
Gain on Sale of Capital Assets	103,615	-
Investment Income	1,399,864	1,016,247
Interest Expense	(2,216,249)	-
Bond Issuance Costs	(252,175)	-
Total Nonoperating Revenues (Expenses)	94,327,854	1,016,247
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(4,554,254)	1,658,036
CAPITAL CONTRIBUTIONS	23,853	-
CHANGE IN NET POSITION	(4,530,401)	1,658,036
Net Position - Beginning of Year	79,721,084	8,311,706
NET POSITION - END OF YEAR	\$ 75,190,683	\$ 9,969,742

See accompanying Notes to Basic Financial Statements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2024**

	District
CASH FLOWS FROM OPERATING ACTIVITIES	
Tuition and Fees Received	\$ 20,193,418
Federal and State Grants Received	6,854,353
Contract Revenue Received	9,034,838
Auxiliary Enterprise Revenues Received	7,192,077
Other Receipts	2,368,371
Payments to Employees	(89,747,038)
Payments to Suppliers	(33,666,908)
Net Cash Used by Operating Activities	(77,770,889)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Local Property Taxes Received	36,380,114
State Appropriations Received	48,839,408
Federal Grants Received	9,116,971
Net Cash Provided by Noncapital Financing Activities	94,336,493
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of Capital Assets	(13,229,009)
Subscription Payments	(2,176,772)
Proceeds from Disposal of Capital Assets	134,579
Capital Grants Received	23,853
Proceeds from Issuance of Capital Debt	20,560,000
Premium Received on Debt Issuance	781,496
Debt Issuance Costs Paid	(252,175)
Principal Paid on Capital Debt	(18,160,000)
Interest Paid on Capital Debt	(2,825,778)
Net Cash Used by Capital and Related Financing Activities	(15,143,806)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment Income Received	1,399,864
CHANGE IN CASH AND CASH EQUIVALENTS	
Cash and Cash Equivalents - Beginning of Year	38,608,491
CASH AND CASH EQUIVALENTS - END OF YEAR	
	\$ 41,430,153
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION	
Cash and Investments in Current Assets	\$ 30,337,776
Restricted Cash and Cash Equivalents	11,092,377
Cash and Cash Equivalents - End of Year	\$ 41,430,153
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital Asset Additions Included in Accounts Payable at End of Year	\$ 2,211,557

See accompanying Notes to Basic Financial Statements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

	District
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	\$ (98,882,108)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities	
Depreciation\Amortization	18,330,475
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:	
Accounts Receivable, Net	2,920,049
Lease Receivable	133,268
Inventories	178,552
Prepaid Items	3,824
Accounts Payable	681,414
Accrued Liabilities	(1,193,838)
Unearned Student Fees	280,125
Due to Other Organizations	(22,240)
Change in Lease Deferred Inflows of Resources	(132,795)
Change in Pension Related Assets (Liability) and Deferred Outflows and Inflows of Resources	(778,161)
Change in OPEB Related Liability and Deferred Outflows and Inflows of Resources	710,546
Net Cash Used by Operating Activities	\$ (77,770,889)

See accompanying Notes to Basic Financial Statements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024**

ASSETS

CURRENT ASSETS	Custodial Funds
Cash and Investments	\$ 554,452
Accounts Receivable	736
Total Assets	555,188

LIABILITIES

CURRENT LIABILITIES	
Accounts Payable	2,836

NET POSITION

Restricted for:	
Student Organizations	358,895
NEW ERA	182,593
Learning in Retirement	10,864
Total Net Position	\$ 552,352

See accompanying Notes to Basic Financial Statements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2024**

	<u>Custodial Funds</u>
ADDITIONS	
Receipts on Behalf of Student Organizations	\$ 208,049
Receipts on Behalf of NEW ERA	10,190
Receipts on Behalf of Learning in Retirement	<u>48,937</u>
Total Additions	267,176
 DEDUCTIONS	
Disbursements on Behalf of Student Organizations	196,014
Disbursements on Behalf of NEW ERA	16,801
Disbursements on Behalf of Learning in Retirement	<u>47,380</u>
Total Deductions	260,195
 CHANGE IN NET POSITION	 6,981
Net Position - Beginning of Year	 <u>545,371</u>
 NET POSITION - END OF YEAR	 <u><u>\$ 552,352</u></u>

See accompanying Notes to Basic Financial Statements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Introduction

Northeast Wisconsin Technical College (the District) is a public two-year college providing education in new, traditional, and emerging technologies to over 40,000 people per year. The District is organized under state legislation enacted in 1911 establishing schools for vocational, technical, and adult education. The District's goal is to deliver lifelong learning opportunities that customers want, in ways that meet their needs, to enhance their careers and quality of life.

The District offers associate degree and technical diploma programs, plus apprenticeships, advanced technical programs, certificates, basic skills education, and other adult continuing education. For employers, the District offers customized workforce training, professional development seminars, and technical assistance.

The accounting policies of the District conform to accounting principles generally accepted in the United States (GAAP) as applicable to public colleges and universities as well as those prescribed by the Wisconsin Technical College System (WTCS). The District's reports are based on all applicable Governmental Accounting Standards Board (GASB) pronouncements. The significant accounting principles and policies utilized by the District are described below:

B. Reporting Entity

The District includes all or part of nine counties in northeast Wisconsin: Florence, Marinette, Oconto, Brown, Kewaunee, Door, Shawano, Manitowoc, and Outagamie. The District offers education and services through three campuses (in Green Bay, Marinette, and Sturgeon Bay), six Regional Learning Centers, workplace contracts with area employers, and a growing variety of online classes.

The District is governed by a nine-member District Board. Members are appointed to staggered three-year terms by a committee of nine county board chairpersons (one from each county served by the District). The District Board membership includes two employers, two employees, three additional members, one school district administrator, and one elected official who holds a state or local office. Its powers, established under provisions of Chapter 38 of the Wisconsin Statutes, include:

- Authority to borrow money and levy taxes;
- Budgetary authority; and
- Authority over other fiscal and general management of the District which includes, but is not limited to, the authority to execute contracts, to exercise control over facilities and properties, to determine the outcome or disposition of matters affecting the recipients of the services being provided, and to approve the hiring or retention of key management personnel who implement Board policy and directives.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Reporting Entity (Continued)

The accompanying financial statements present the activities of the District. Accounting principles generally accepted in the United States require that these financial statements include the primary government and its component units. Component units are separate organizations that are included in the District's reporting entity because of the significance of their operational or financial relationships with the District. All significant activities and organizations with which the District exercises oversight responsibility have been considered for inclusion in the financial statements. In addition, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*, requires reporting, as a component unit, an organization that raises and holds economic resources for the direct benefit of a governmental unit. The District has identified the following component unit:

Northeast Wisconsin Technical College Educational Foundation, Inc.

The District is affiliated with Northeast Wisconsin Technical College Educational Foundation, Inc. (the Foundation), a nonprofit corporation whose purpose is to solicit, hold, manage, invest and expend endowment funds and other gifts, grants, and bequests exclusively for the maintenance and benefit of the District and its students. The Foundation is managed by an independent board of directors, and is not financially accountable to the District. The Foundation has been reported as a discretely presented component unit in the District's financial statements.

The Foundation follows the Financial Accounting Standards Board (FASB) accounting standards, while the District follows the GASB accounting standards. There are several significant differences in accounting policies between the Foundation and the District due to these different accounting standards. The differences in accounting policies between the Foundation and the District do not have a material impact on the financial position or results of operations of the District. However, users of the financial statements should be aware of these differences when comparing the financial information of the Foundation and the District.

The Foundation's financial statements can be obtained through the Northeast Wisconsin College Educational Foundation, Inc., 2740 W. Mason St., P. O. Box 19042, Green Bay, WI 54307.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

For financial reporting purposes, the District is considered a special purpose government engaged only in business-type activities. The District's basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements.

D. Use of Estimates

In preparing basic financial statements in conformity with accounting principles generally accepted in the United States, the District is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, And Net Position or Fund Balance

1. Cash and Investments

Cash and cash equivalents consist of cash deposits and investments. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. For purposes of the statements of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from the date of acquisition are considered to be cash equivalents.

Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Investment income includes changes in fair value of investments, interest, and realized gains and losses.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Property Taxes and Taxes Receivable

The aggregate District tax levy is apportioned and certified by October 31 of the current fiscal year for collection to municipalities located within the District based on the immediate past January 1 full or “equalized” taxable property values. As permitted by a collecting municipality’s ordinance, taxes may be paid in full or in two or more installments. On or before January 15 and February 20, the District is paid by the collecting municipalities its proportionate share of tax collections received through the last day of the preceding month. On or before August 20, the County Treasurer makes full settlement to the District for any remaining balance.

The District communicates its property tax levy to city, village, and town treasurers or clerks in October of the fiscal year for which the taxes are levied. The following dates are pertinent to the District’s tax calendar:

Levy Date	October 31, or within ten days of receipt of equalized valuation, whichever is later
Assessment Date	January 1
Lien Date	August 31
Due Dates:	
Taxes Paid in One Installment	January 31
Taxes Paid in Two Installments	January 31 and July 31
Settlement with County Treasurers	August 20

The District recognizes its total levy as revenue in the fiscal year for which taxes are levied.

Under Section 38.16 of the Wisconsin Statutes, the District Board may levy a tax not to exceed a rate of \$1.50 per \$1,000 of the full equalized value of taxable property within the area served by the District for the purposes of making capital improvements, acquiring equipment, and operating and maintaining schools. The mill rate limitation is not applicable to taxes levied for the purposes of paying principal and interest on general obligation debt issued by the District that is used for capital improvements and equipment acquisitions. For the year ended June 30, 2024, the District levied taxes at the following mill rate:

Operating Purposes	\$ 0.25765
Debt Service Requirements	0.34294
Totals	<u>\$ 0.60059</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

3. Student Receivables

The District's student fees receivable is stated at amounts due from students, net of an allowance for doubtful accounts of \$1,560,000 as of June 30, 2024. Amounts outstanding longer than the agreed upon payment terms are considered past due. The District determines its allowance for doubtful accounts by considering several factors including length of time amounts are past due, the District's previous loss history, and the student's ability to pay his or her obligation. The District writes off receivables when they become uncollectible.

4. Inventories

Inventories are recorded at cost, which approximates market, using primarily the first-in, first-out method. Inventories consist of supplies and other expendable supplies held for resale or consumption. The cost is recorded as an expense at the time individual inventory items are consumed rather than when purchased. Instructional and administrative inventories are accounted for as expenses when purchased.

5. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and expensed in the periods benefitted.

6. Capital Assets

Capital assets include land, land improvements, buildings, and equipment. The District defines capital assets as assets with an estimated useful life in excess of one year. Equipment assets having a cost of \$5,000 or more per unit and capital projects having a cost of \$15,000 or more are capitalized. Assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. *Capital projects* are defined as the following:

- New Construction: Adding additional square footage to an existing building or construction a new building.
- Land Purchases: Purchase of additional land.
- Site Improvements: Improvements made to the land (i.e., roads, sidewalks and underground piping) to extend the useful life of the assets.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

6. Capital Assets (Continued)

- Building Improvements: This consists of the following:
 - Infrastructure: Improvements made to a building to extend the useful life (i.e., roof replacement) of that building
 - Retrofitting: Changing the configuration of a room or building to extend the useful life of the asset to meet the changing needs of the District and its students.

Depreciation/amortization on land improvements, buildings, and equipment is provided in amounts sufficient to charge the cost of the depreciable/amortizable assets to operations on the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Useful Lives in Years</u>
Autos	4 - 20
Buildings	50
Building Improvements	10 - 20
Equipment	5 - 30
Site Improvements	20
Intangibles and Software	2 - 6

Capital assets are reviewed for impairment when events or changes in circumstances suggest that the service utility of the capital asset may have significantly and unexpectedly declined. Capital assets are considered impaired if both the decline in service utility of the capital asset is large in magnitude and the event or change in circumstance is outside the normal life cycle of the capital asset. Such events or changes in circumstances that may be indicative of impairment include evidence of physical damage, enactment or approval of laws or regulations or other changes in environmental factors, technological changes or evidence of obsolescence, changes in the manner or duration of use of a capital asset, and construction stoppage. The determination of the impairment loss is dependent upon the event or circumstance in which the impairment occurred. Impairment losses, if any, are recorded in the statements of revenues, expenses, and changes in net position. There were no impairment losses recorded in the year ended June 30, 2024.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

6. Capital Assets (Continued)

Subscription-based Information Technology Arrangements (SBITA) assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

7. Compensated Absences

The District's policy allows employees to earn varying amounts of sick pay and vacation pay for each year employed in accordance with the Employee Handbook and District policy.

8. Pensions

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

- Net pension liability,
- Deferred outflows of resources and deferred inflows of resources related to pensions, and
- Pension expense (benefit).

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

9. Unearned Revenue

Unearned revenue includes amounts received for tuition, fees, or other activities prior to the end of the fiscal year but related to the subsequent fiscal year. Unearned revenue also includes amounts received from grant and contract sponsors that have not yet been earned.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. Deferred Outflows/Inflows of Resources

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

11. Net Position

Net position is classified according to restrictions on availability of assets for satisfaction of District obligations.

- **Net Investment in Capital Assets:** This represents the net value of capital assets (land, buildings, equipment, and right-of-use assets) net of capital-related deferred outflows of resources less the debt incurred to acquire or construct the assets and any capital related deferred inflows of resources plus the borrowed resources not yet expended but restricted for capital purchases.
- **Restricted Net Position:** Restricted net position includes resources in which the District is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.
- **Unrestricted Net Position:** Unrestricted net position represents resources derived from student tuition and fees, state appropriations, and sales and services provided by educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the District and may be used at the discretion of the governing board to meet current expenses for any purpose.

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

12. State and Federal Revenues

State general and categorical aids are recognized as revenues in the entitlement year. Federal and state aids for reimbursable programs are recognized as revenues in the year related program expenditures are incurred or eligibility requirements are met. Aids received prior to meeting revenue recognition criteria are recorded as unearned revenue.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

13. Tuition and Fees

Student tuition and fees are recorded, net of scholarships, as revenues in the period in which the related activity or instruction takes place. Tuition and fees for the summer semester are prorated based on student class days occurring before and after June 30.

14. Scholarship Allowances and Student Financial Aid

Student tuition and fees are reported as operating revenues, net of scholarship allowances provided to students. Certain aid (loans, funds provided to students as awarded by third parties and Federal Direct Lending) is accounted for as third-party payments (credited to the student's account as if the student made the payment). All other aid is reflected in the basic financial statements as operating expenses. The amount reported as operating expenses represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition.

15. Classification of Revenues and Expenses

The District has classified its revenues and expenses as either operating or nonoperating according to the following criteria:

Operating Revenues/Expenses

Operating revenues and expenses include activities that have the characteristics of exchange transactions to provide goods or services related to the District's principal ongoing operations. Operating revenues include 1) student tuition and fees, net of scholarship allowances, 2) sales and services of auxiliary enterprises, and 3) most federal, state, and local grants and contracts that are essentially the same as contracts for services that finance programs of the District. Operating expenses include the cost of providing educational services, administrative expenses and depreciation/amortization on capital assets.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

15. Classification of Revenues and Expenses (Continued)

Nonoperating Revenues/Expenses

Nonoperating revenues and expenses include activities that have the characteristics of nonexchange transactions. Nonoperating revenues are classified as defined by GASB No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. These revenues include gifts and contributions and other revenue sources such as state appropriations, the local property tax levy, investment income and any grants and contracts that are not classified as operating revenue or restricted by the grantor to be used exclusively for capital programs. Nonoperating expenses include interest on long-term obligations, issuance costs, and losses on the disposal of capital assets.

16. Adoption of New Accounting Standards

GASB Statement No. 100, *Accounting Changes and Error Corrections*

GASB Statement No. 100, *Accounting Changes and Error Corrections*, an amendment of GASB Statement No. 62, defines accounting changes, prescribes accounting and financial reporting for accounting changes and error corrections, and prescribes required note disclosures.

The District adopted the requirements of the guidance effective July 1, 2023 and has applied the provisions of this standard to the beginning of the period of adoption.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

Cash and investments of the District consist of bank deposits and investments that are restricted by the Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state, and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The District's cash and cash equivalents balances as of June 30, 2024 were as follows:

Cash on Deposit with Financial Institutions Carrying	
Amount	\$ 41,975,655
Petty Cash	8,950
Total Cash and Investments	<u>\$ 41,984,605</u>

Cash and cash equivalents are classified as follows as of June 30, 2024:

Unrestricted Cash and Investments	\$ 30,337,776
Restricted Cash and Cash Equivalents	11,092,377
Fiduciary Funds	554,452
Total Cash and Investments	<u>\$ 41,984,605</u>

The portion of cash and cash equivalents restricted is for compliance with legal requirements and cannot be used for general purposes of the District.

Fair Value Measurements

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 assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The District currently has no investments that are subject to fair value measurement.

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

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Custodial Credit Risk

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

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

The District's bank balances in excess of FDIC coverage are collateralized with securities held by the pledging financial institution in the amount of \$35,000,000. As of June 30, 2024, \$6,278,098 of the District's bank balance of \$42,768,319 was exposed to custodial credit risk as uninsured.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The District does not have an additional policy. The District's investment in the Wisconsin Investment Pool is not rated.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates other than those stated in the state and local statutes and ordinances. State Statute limits the maturity of commercial paper and corporate bonds to not more than seven years.

Wisconsin Local Government Investment Pool

The District has invested funds in the Wisconsin Local Government Investment Pool (LGIP). 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. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At June 30, 2024, the fair value of the District's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

The District's investment in the LGIP has a maturity of under one year.

B. Accounts and Other Receivables

Accounts and other receivables consisted of the following as of June 30, 2024:

Student Receivables	\$ 3,557,640
Business and Industry Contract Receivables	1,032,015
Federal and State Grant Receivables	1,225,272
Other	438,808
Gross Receivables	<u>6,253,735</u>
Less: Allowance for Uncollectible Accounts	<u>(1,560,000)</u>
Total	<u><u>\$ 4,693,735</u></u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

Capital asset balances and activity were as follows for the year ended June 30, 2024:

	Beginning Balance	Increases	Reclassification	Decreases	Ending Balance
Capital Assets not Being Depreciated/Amortized:					
Land	\$ 3,662,573	\$ 731,994	\$ -	\$ -	\$ 4,394,567
Construction in Progress	719,283	4,144,558	-	719,283	4,144,558
Total Capital Assets not Being Depreciated/Amortized	4,381,856	4,876,552	-	719,283	8,539,125
Capital Assets Being Depreciated/Amortized:					
Site Improvements	10,425,170	741,316	-	59,567	11,106,919
Buildings and Building Improvements	134,527,905	1,467,016	194,047	327,042	135,861,926
Furniture and Equipment	47,601,030	4,254,043	(4,482,279)	2,417,965	44,954,829
Intangibles	3,286,286	-	(252,682)	42,580	2,991,024
SBITAs	10,929,350	5,819,152	4,540,914	295,418	20,993,998
Total Capital Assets Being Depreciated/Amortized	206,769,741	12,281,527	-	3,142,572	215,908,696
Less Accumulated Depreciated/Amortized for:					
Site Improvements	3,622,658	485,075	-	-	4,107,733
Buildings and Building Improvements	54,591,514	9,251,831	84,274	327,042	63,600,577
Furniture and Equipment	19,403,324	5,223,367	25,866	2,446,569	22,205,988
Intangibles	1,819,793	165,453	(110,140)	42,580	1,832,526
SBITAs	1,563,734	3,204,749	-	295,417	4,473,066
Total Accumulated Depreciation/Amortization	81,001,023	18,330,475	-	3,111,608	96,219,890
Net Capital Assets Being Depreciated/Amortized	125,768,718	(6,048,948)	-	30,964	119,688,806
Net Capital Assets	130,150,574	\$ (1,172,396)	\$ -	\$ 750,247	128,227,931
Less Outstanding Debt Related to Capital Assets	(101,206,634)				(104,023,514)
Plus Capital Project Funds Borrowed but not Spent	8,193,654				8,864,149
Net Investment in Capital Assets	<u>\$ 37,137,594</u>				<u>\$ 33,068,566</u>

D. Long-Term Obligations

Long-term liability activity for the year ended June 30, 2024 was as follows:

	Balance 7/1/2023	Additions	Reductions	Balance 6/30/2024	Amounts Due Within One Year
General Obligation Debt	\$ 88,645,000	\$ 20,560,000	\$ 18,160,000	\$ 91,045,000	\$ 17,645,000
Premium	3,238,285	781,496	719,479	3,300,302	-
SBITA Liability	9,323,349	2,531,635	2,176,772	9,678,212	2,208,009
Totals	<u>\$ 101,206,634</u>	<u>\$ 23,873,131</u>	<u>\$ 21,056,251</u>	<u>\$ 104,023,514</u>	<u>\$ 19,853,009</u>

Interest paid related to general obligation debt in the current year totaled \$2,543,718.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

General Obligation Debt

General obligation debt is guaranteed by the full faith and credit of the District and will be repaid through the taxing authority of the District. Specific future tax levies have been established by the various debt agreements to provide sufficient annual amounts to retire debt principal and interest when due. Principal and interest payments have been made as required through June 30, 2024. General obligation debt is comprised of the following individual issues at June 30, 2024:

<u>Description</u>	<u>Buyer</u>	<u>Amount</u>
October 1, 2015 promissory note held at Cede & Co. with original amount of \$10,000,000 issued to finance capital assets with interest at 2% to 4%. Principal due annually on April 1, with a final maturity on April 1, 2025.	Robert W. Baird	\$ 550,000
May 2, 2016, school improvement bonds held at Cede & Co. with original amount of \$17,000,000 issued to finance referendum approved capital expansion with interest at 2% to 3%. Principal due annually on October 1, with a final maturity on October 1, 2030.	Morgan Stanley	9,070,000
October 3, 2016, promissory note held at Cede & Co. with original amount of \$12,700,000 issued to finance capital assets with interest at 1% to 3%. Principal due annually on April 1, with a final maturity on April 1, 2026.	Robert W. Baird	1,065,000
June 1, 2017, promissory note held at Cede & Co. with original amount of \$12,800,000 issued to finance capital assets with interest at 2% to 3%. Principal due annually on October 1, with a final maturity on October 1, 2026.	UMB Bank	1,975,000
August 1, 2017, school improvement bonds held at Cede & Co. with original amount of \$15,000,000 issued to finance referendum approved capital expansion with interest at 3% to 5%. Principal due annually on April 1, with a final maturity on April 1, 2033.	Robert W. Baird	11,590,000
November 27, 2017, promissory note held at Cede & Co. with original amount of \$16,000,000 issued to finance referendum approved capital expansion with interest at 2% to 4%. Principal due annually on April 1, with a final maturity on April 1, 2027.	Raymond James	2,480,000

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

General Obligation Debt (Continued)

<u>Description</u>	<u>Buyer</u>	<u>Amount</u>
April 4, 2018, promissory note held at Cede & Co. with original amount of \$16,200,000 issued to finance referendum approved capital expansion with interest at 3% to 4%. Principal due annually on April 1, with a final maturity on April 1, 2028.	Citigroup	\$ 4,275,000
November 1, 2018, promissory note held at Cede & Co. with original amount of \$8,900,000 issued to finance referendum approved capital expansion with interest at 2% to 4%. Principal due annually on April 1, with a final maturity on April 1, 2028.	J.P. Morgan	2,755,000
June 3, 2019 promissory note held at Cede & Co. with original amount of \$4,510,000 issued to finance capital assets with interest at 3%. Principal due annually on April 1, with a final maturity on April 1, 2025.	UBS Financial Services Inc	770,000
November 20, 2019 promissory note held at Cede & Co. with original amount of \$6,500,000 issued to finance capital assets with interest at 2.5% to 3%. Principal due annually on April 1, with a final maturity on April 1, 2026.	UBS Financial Services Inc	2,100,000
March 5, 2020 promissory note held at Cede & Co. with original amount of \$6,400,000 issued to finance referendum approved capital expansion with interest at 1.25% to 2%. Principal due annually on April 1, with a final maturity on April 1, 2029.	Robert W. Baird	2,825,000
October 7, 2020 promissory note held at Cede & Co. with original amount of \$4,300,000 issued to finance capital assets with interest at 1% to 2%. Principal due annually on April 1, with a final maturity on April 1, 2027.	Robert W. Baird	2,135,000
February 10, 2021 promissory note held at Cede & Co. with original amount of \$4,000,000 issued to finance capital assets with interest at 0.5% to 1%. Principal due annually on April 1, with a final maturity on April 1, 2027.	Robert W. Baird	2,250,000

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

General Obligation Debt (Continued)

<u>Description</u>	<u>Buyer</u>	<u>Amount</u>
June 2, 2021 promissory note held at Cede & Co. with original amount of \$4,400,000 issued to finance capital assets with interest at 1.125% to 1.250%. Principal due annually on April 1, with a final maturity on April 1, 2027.	BNY Mellon Capital Markets, LLC	\$ 2,485,000
October 6, 2021 promissory note held at Cede & Co. with original amount of \$6,500,000 issued to finance capital assets with interest at 1.00% to 1.50%. Principal due annually on April 1, with a final maturity on April 1, 2028.	Piper Sandler & Co.	2,655,000
March 16, 2022 promissory note held at Cede & Co. with original amount of \$4,200,000 issued to finance capital assets with interest at 2.00% to 3.00%. Principal due annually on April 1, with a final maturity on April 1, 2028.	Piper Sandler & Co.	2,835,000
June 1, 2022 promissory note held at Cede & Co. with original amount of \$3,750,000 issued to finance capital assets with interest at 3.00% to 4.00%. Principal due annually on April 1, with a final maturity on April 1, 2028.	Piper Sandler & Co.	2,565,000
November 7, 2022 promissory note held at Cede & Co. with original amount of \$6,900,000 issued to finance capital assets with interest at 4.00% to 5.00%. Principal due annually on April 1, with a final maturity on April 1, 2029.	TD Securities (USA) LLC	5,080,000
March 13, 2023 promissory note held at Cede & Co. with original amount of \$6,950,000 issued to finance capital assets with interest at 0.05% to 5.00%. Principal due annually on April 1, with a final maturity on April 1, 2030.	Huntington Securities, Inc.	6,085,000
May 3, 2023 promissory note held at Cede & Co. with original amount of \$4,300,000 issued to finance capital assets with interest at 3.00% to 4.00%. Principal due annually on October 1, with a final maturity on October 1, 2030	Piper Sandler & Co.	4,300,000
June 30, 2023 promissory note held at Cede & Co. with original amount of \$2,000,000 issued to finance capital assets with interest at 5.00%. Principal due annually on October 1, with a final maturity on October 1, 2025	FHN Financial Capital Markets	2,000,000

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

General Obligation Debt (Continued)

<u>Description</u>	<u>Buyer</u>	<u>Amount</u>
November 6, 2023 promissory note held at Cede & Co. with original amount of \$6,365,000 issued to finance capital assets with interest at 5.00%. Principal due annually on April 1, with a final maturity on April 1, 2030.	BOK Financial Securities, Inc.	\$ 5,005,000
March 6, 2024 promissory note held at Cede & Co. with original amount of \$8,005,000 issued to finance capital assets with interest at 3.125% to 4.250%. Principal due annually on April 1, with a final maturity on April 1, 2031.	TD Securities (USA) LLC	8,005,000
May 6, 2024 promissory note held at Cede & Co. with original amount of \$6,190,000 issued to finance capital assets with interest at 4.00%. Principal due annually on April 1, with a final maturity on April 1, 2031.	TD Securities (USA) LLC	<u>6,190,000</u>
Total		<u>\$ 91,045,000</u>

Aggregate cash flow requirements for the retirement of long-term principal and interest on general obligation debt as of June 30, 2024, follows:

<u>Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2025	\$ 17,645,000	\$ 2,810,413	\$ 20,455,413
2026	16,455,000	2,314,700	18,769,700
2027	14,450,000	1,889,775	16,339,775
2028	13,415,000	1,445,988	14,860,988
2029	9,795,000	973,281	10,768,281
2030 - 2033	<u>19,285,000</u>	<u>1,111,075</u>	<u>20,396,075</u>
Totals	<u>\$ 91,045,000</u>	<u>\$ 10,545,232</u>	<u>\$ 101,590,232</u>

The District did not have any direct placement debt as of June 30, 2024. The District is not subject to significant restrictive covenants related to these borrowings.

The District has a \$3,000,000 taxable revolving line of credit agreement with a bank. Borrowings under the taxable line of credit bear interest at the Associated Bank Prime Rate, less 0.75%, not to be less than 5.00%. The taxable line of credit is secured by the District's tax revenues and state aid revenues. The taxable line of credit matures on November 1, 2025. No borrowings on the taxable line of credit were outstanding during the year ended June 30, 2024.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

General Obligation Debt (Continued)

Legal Margin for New Indebtedness

Wisconsin State Statutes Section 67.03(1) limits general obligation debt of the District to 5% of the equalized value of the taxable property located in the District. Wisconsin State Statutes Section 67.03(9) limits bonded indebtedness of the District to 2% of the equalized value of the taxable property located in the District.

As of June 30, 2024, the 5% and 2% limitations were as follows:

Equalized Value per Wisconsin Department of Revenue	\$ 65,581,386,402
Debt Limitation Percentage (5%)	0.05
Total Allowable GO Debt	3,279,069,320
Less: Current GO Debt	91,045,000
Debt Margin	\$ 3,188,024,320
Equalized Value per Wisconsin Department of Revenue	\$ 65,581,386,402
Bonded Debt Limitation Percentage (2%)	0.02
Total Allowable Bonded Debt	1,311,627,728
Less: Current Bonded Debt	20,660,000
Debt Margin	\$ 1,290,967,728

E. Employee Retirement Plan

General Information about the Pension Plan

Plan Description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government, and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, 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 <http://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>. Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link provided.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Employee Retirement Plan

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.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Employee Retirement Plan (Continued)

General Information about the Pension Plan (Continued)

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

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)

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 \$4,069,882 in contributions from the employer.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Employee Retirement Plan (Continued)

General Information about the Pension Plan (Continued)

Contribution rates as of June 30, 2024 are:

Employee Category	Employee	Employer
General (including teachers, executives, and elected officials)	6.80%	6.80%

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

At June 30, 2024, the District reported a liability of \$4,662,498 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023. 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 June 30, 2024, the District's proportion was 0.3135916%, which was a decrease of 0.01414943% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the District recognized pension expense of \$3,296,236.

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 18,799,148	\$ 24,899,587
Net Differences Between Projected And Actual Earnings on Pension Plan Investments	16,248,050	-
Changes in Assumptions	2,032,249	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	288,237	13,667
Employer Contributions Subsequent to the Measurement Date	<u>2,023,252</u>	-
Total	<u>\$ 39,390,936</u>	<u>\$ 24,913,254</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Employee Retirement Plan (Continued)

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

The \$2,023,252 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Expense (Revenue)</u>
2025	\$ 2,587,107
2026	2,719,359
2027	10,261,209
2028	(3,113,245)
Total	<u>\$ 12,454,430</u>

Actuarial assumptions. The total pension liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2022
Measurement Date:	December 31, 2023
Experience Study:	January 2018 - December, 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.80%
Discount Rate:	6.80%
Salary Increases:	
Inflation	3%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.7%

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

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The total pension liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the December 31, 2022 actuarial valuation.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Employee Retirement Plan (Continued)

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

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

**Asset Allocation Targets and Expected Returns ³
as of December 31, 2023**

Core Fund Asset Class:	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return % ¹
Public Equity	40.0%	7.3%	4.5%
Public Fixed Income	27.0%	5.8%	3.0%
Inflation Sensitive	19.0%	4.4%	1.7%
Real Estate	8.0%	5.8%	3.0%
Private Equity/Debt	18.0%	9.6%	6.7%
Leverage ²	-12.0%	3.7%	1.0%
Total Core Fund	100.0%	7.4%	4.6%
Variable Fund Asset Class:			
U.S. Equities	70.0%	6.8%	4.0%
International Equities	30.0%	7.6%	4.8%
Total Variable Fund	100.0%	7.3%	4.5%

¹ New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.7%

² The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. Currently, an asset allocation target of 12% policy leverage is used, subject to an allowable range of up to 20%.

³ Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Employee Retirement Plan (Continued)

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

Single Discount Rate. A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 3.77% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of December 31, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the District’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.8%, as well as what the District’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.8%) or 1-percentage-point higher (7.8%) than the current rate:

	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8)%	1% Increase to Discount Rate (7.8%)
District's Proportionate Share of Net Pension Liability (Asset)	\$ 45,065,302	\$ 4,662,498	\$ (23,609,052)

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

Payables to the Pension Plan

The District reported payables to WRS of \$308,207 as of June 30, 2024.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits

Plan Description

The District provides a health and dental benefit program (the Plan) for retired faculty, management, and administrative employees. The Plan is a single-employer defined benefit postemployment healthcare benefit plan. To be eligible, the employee must have 15 years of continuous service, be age 55 as of the effective date of resignation for retirement and give at least six months advance notice of their intent to retire. A qualifying retiree receives a benefit equal to 50% to 75% of the employee's regular salary during their last contract year and continuation of health and dental insurance premiums up to the first two years.

Total OPEB Liability

The District's total OPEB liability was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2023.

Actuarial Assumptions

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary Increases:	3.00%
Discount Rate:	3.65%
Healthcare Cost Trend Rates:	6.80%; decreasing to an ultimate rate 3.70%

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study conducted using Wisconsin Retirement System experience from 2018-2020.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2023	\$ 5,943,404
Changes for the Year:	
Service Cost	161,865
Interest	201,096
Effect of Economic/Demographic Gains / Losses	717,309
Effect of Assumptions Changes or Inputs	321,952
Benefit Payments	(856,672)
Net Changes	545,550
Balance at June 30, 2024	<u>\$ 6,488,954</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits

Changes in the Total OPEB Liability (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease to Discount Rate (2.65%)	Current Discount Rate (3.65%)	1% Increase to Discount Rate (4.65%)
Total OPEB liability	\$ 6,811,759	\$ 6,488,954	\$ 6,175,995

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates (6.80% decreasing to 3.70%)	1% Increase
Total OPEB liability	\$ 6,069,503	\$ 6,488,954	\$ 6,958,209

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

For the year ended June 30, 2024, the District recognized OPEB expense of \$899,750. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 543,205	\$ 89,439
Changes In Assumptions	315,430	256,419
District Contributions Subsequent to the Measurement Date	837,288	-
Total	<u>\$ 1,695,923</u>	<u>\$ 345,858</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

\$837,288 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in other postemployment benefits expense as follows:

Year Ended June 30,	Expense
2025	\$ 159,546
2026	120,826
2027	202,136
2028	30,269
Total	\$ 512,777

G. Risk Management

Districts Mutual Insurance Company (DMI)

In July 2004, all 16 WTCS technical colleges created the Districts Mutual Insurance Company (DMI). Districts Mutual Insurance Company is a fully-assessable mutual company authorized under Wisconsin Statute 611 to provide worker compensation, property, casualty, equipment breakdown, cyber risk, and campus violent acts coverage, as well as liability and risk management services to its members. The scope of insurance protection provided by DMI is broad, covering property at \$500,000,000 per occurrence; general liability, auto, and educator’s legal liability at \$5,000,000 per occurrence; and workers’ compensation at the statutorily required limits.

At this time, settled claims have not approached the coverage limits as identified above. The District’s exposure in its layer of insurance is limited to \$5,000 to \$100,000 per occurrence depending on the type of coverage and DMI purchases reinsurance for losses in excess of its retained layer of coverage.

DMI operations are governed by a five-member Board of Directors. Member colleges do not exercise any control over the activities of DMI beyond election of the Board of Directors at the annual meeting. The Board has the authority to adopt its own budget, set policy matters, and control the financial affairs of the company.

For the years ended June 30, 2024, the District paid DMI insurance premiums of \$771,408. Future premiums will be based on relevant rating exposures as well as the historical loss experience by members.

The DMI financial statements can be obtained through Districts Mutual Insurance, 212 West Pinehurst Trail, Dakota Dunes, SD 57049.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Risk Management (Continued)

WTCS Insurance Trust

The District is part of the WTCS Insurance Trust that jointly purchases commercial insurance to provide coverage for losses from theft of, damage to, or destruction of assets. The trust is organized under Wisconsin Statutes 66.0301 and is governed by a board of trustees consisting of one trustee from each member college. Member entities include all 16 Wisconsin Technical College System districts.

The Trust financial statements can be obtained through Lakeshore Technical College District, 1290 North Avenue, Cleveland, WI 53015.

The WTCS Insurance Trust has purchased the following levels of coverage for its participating members:

- Business Travel Accident covering scheduled losses, assistance services, medical evacuation, and repatriation.
- Crime coverage for employee dishonesty, forgery and alteration, theft, robbery, burglary, disappearance and destruction of money and securities, and investigation expenses.

As of June 30, 2024, the District had \$225,272 of net assets available for deductibles under the Districts Mutual Insurance Company and WTCS Insurance Trust programs.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Risk Management (Continued)

Self-Funded Health and Dental Insurance

District employees and employee dependents are eligible for medical and/or dental benefits from a health, dental, and unemployment compensation self-insurance fund. Funding is provided by charges to departments and employees. The program is supplemented by stop loss protection, which limits the District's annual liability. The stop loss coverage provides for reimbursement of 100% of health costs in excess of \$210,000 per claimant for the year ending June 30, 2024, with an aggregate maximum reimbursement to be calculated at the end of the plan year in accordance with the terms of the agreement. There were approximately 588 participants in the health plan at June 30, 2024. There were approximately 622 participants in the dental plan at June 30, 2024. Fund expenses consist of payments to a third-party administrator for medical and dental claims, stop loss insurance premiums, and administrative fees.

On June 30, 2024, net position (deficit) of \$(111,649) was available for future unreported medical and dental claims. The claims liability of \$1,353,000 reported in the fund at June 30, 2024 is for estimated claims incurred but not reported. Accounting principles generally accepted in the United States require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the claim's liability related to health and dental self-insurance program for the years ended June 30, 2024 follows:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes In Estimates	Claim Payments	Balance at Fiscal Year-End
2023-2024	\$ 1,111,000	\$ 12,396,048	\$ 12,154,048	\$ 1,353,000
2022-2023	1,125,300	10,376,323	10,390,623	1,111,000

Unemployment Compensation

The District has established an unemployment compensation program to finance unemployment compensation awards for District employees. On June 30, 2024, net position of \$122,178 was available for future unemployment claims.

Insurance settlements have not exceeded insurance coverage in any of the past three years nor has there been any significant reduction in coverage compared to the prior year.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Lease Receivable

The District, acting as lessor, leases a building located in Green Bay, Wisconsin under a long-term, noncancelable lease agreement that began on October 1, 2021. The lease expires on August 31, 2025 and provides for renewal options for successive one-year periods. The District recognizes interest revenue utilizing an estimated 1.25% rate under this lease agreement. During the year ended June 30, 2024, the District recognized \$132,795 and \$2,732 in lease revenue and interest revenue, respectively, pursuant to this contract during the year ended June 30, 2024.

Total future minimum lease payments to be received under lease agreements are as follows:

	Principal	Interest	
2025	\$ 134,943	\$ 1,057	
2026	22,654	12	
Total	\$ 157,597	\$ 1,069	

I. Subscription-Based Information Technology Arrangements (SBITA)

The District has entered into subscription based-information technology arrangements (SBITAs) for learning-related software, information technology support software, student services software, College advancement software, and talent and culture software utilized within the District. The SBITA arrangements expire at various dates through 2033 and provide for renewal options.

As of June 30, 2024, SBITA assets and the related accumulated amortization totaled \$20,993,998 and \$4,473,066, respectively.

The future subscription payments under SBITA agreements are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 2,208,009	\$ 228,404	\$ 2,436,413
2026	1,746,377	174,248	1,920,625
2027	1,013,577	141,540	1,155,117
2028	940,605	112,111	1,052,716
2029	900,488	84,692	985,180
2030 - 2033	2,869,156	86,384	2,955,540
Total	\$ 9,678,212	\$ 827,379	\$ 10,505,591

The District made no variable payments or termination penalty payments required by SBITA agreements during the year ended June 30, 2024. No impairments were recognized related losses on SBITA assets during the year ended June 30, 2024.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Subsequent Events

Debt Issuance

On November 8, 2024, the District issued General Obligation Promissory Notes, Series 2024C, totaling \$5,370,000 with an interest rate of 1.50% – 5.00%, payable on April 1 and October 1 annually. Principal payments of varying amounts are due on April 1 each year until maturity on April 1, 2031. Proceeds will be used for the cost of building remodeling and improvement projects, acquisition of movable equipment, and site improvement projects. The Notes are not subject to redemption prior to maturity.

NOTE 3 OTHER INFORMATION

A. Expense Classification

Operating expenses by natural classification were as follows for the year ended June 30, 2024:

Salaries and Wages	\$ 69,502,389
Fringe Benefits	18,983,196
Travel, Memberships, and Subscriptions	1,514,396
Supplies, Printing, and Minor Equipment	3,924,814
Contracted Services	3,652,224
Rentals, Repairs, and Maintenance	9,119,103
Enterprise Activities	2,964,248
Insurance	2,619,156
Utilities	1,686,873
Depreciation and Amortization	18,330,475
Student Aid	9,027,644
Total Operating Expenses	<u><u>\$ 141,324,518</u></u>

B. Contingent Liability

The District participates in several federal and state grant programs, which are subject to program compliance audits and possible future adjustments to expenditures reported for federal and state reimbursement. The amount, if any, of expenditures that may be disallowed cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

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

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 COMPONENT UNIT

This report contains the Northeast Wisconsin Technical College Educational Foundation, Inc. (the Foundation), which is included as a component unit. Financial information is presented as a discrete column in the statement of net position and the statement of revenues, expenses and changes in net position. In addition to the basic financial statements, the following disclosures are considered necessary for a fair presentation.

1. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following:

	2024
Cash and Cash Equivalents	\$ 1,385,505
Investments	8,022,128
Total	9,407,633
Less: Cash and Investments With Donor Restrictions	8,526,323
Amount Available for General Expenditures	\$ 881,310

The Foundation's endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The board has designated \$479,786 of net assets without donor restrictions to be maintained to ensure the stability of the mission, programs, employment, and ongoing operations of the Foundation.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 COMPONENT UNIT (CONTINUED)

2. Promises to Give

Unconditional promises to give are estimated to be collected as follows at June 30, 2024:

Within One Year	\$	414,625
In One to Seven Years		186,500
Total		601,125
Less: Discount to Net Present Value at Rates Ranging from 0.49% to 4.87%		(7,128)
Total	\$	593,997

3. Beneficial Interest in Assets Held by Community Foundation

Beneficial interest in assets held by Community Foundation represents amounts held at the Greater Green Bay Community Foundation. The Community Foundation invests the assets held in the fund. The income can be distributed annually, less investing and administrative expenses. The principal may be distributed upon request of the members of the Foundation's governing board and authorization of the Community Foundation's board. If distributed, the principal is to be used according to the purposes set forth in the agreement. The agreement governing the assets includes a variance power allowing the Community Foundation to modify the restrictions on distributions from the funds.

4. Investments

Investments consist of the following as of June 30, 2024:

Cash and Money Market Funds	\$	43,124
Equity Mutual Funds		3,288,708
Global Equity Mutual Funds		1,724,663
Fixed Income		2,965,633
Total	\$	8,022,128

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 COMPONENT UNIT (CONTINUED)

5. Fair Value Measurements and Disclosures

The Foundation reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets that the Foundation can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset. In these situations, the Foundation develops inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to the entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the Foundation's assessment of the quality, risk, or liquidity profile of the asset.

A significant portion of the Foundation's investment assets are classified within Level 1 because they are traded in an active market for which closing prices are readily available. The fair value of the Foundation's beneficial interest in assets held by the Community Foundation is based on the fair value of fund investments as reported by the Community Foundation. These are considered to be Level 3 measurements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 COMPONENT UNIT (CONTINUED)

5. Fair Value Measurements and Disclosures (Continued)

The following table presents assets measured at fair value on a recurring basis at June 30, 2024:

	Total	Fair Value Measurements at Report Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
ASSETS				
Beneficial Interests in:				
Assets Held by Community Foundation	\$ 27,673	\$ -	\$ -	\$ 27,673
Mutual Funds:				
Equity	\$ 3,288,708	\$ 3,288,708	\$ -	\$ -
Global Equity	1,724,663	1,724,663	-	-
Fixed Income	2,965,633	2,965,633	-	-
Total Investments at Fair Value	7,979,004	\$ 7,979,004	\$ -	\$ -
Cash and Cash Equivalents	43,124			
Total Investments	\$ 8,022,128			

6. Contingencies

The Foundation awards scholarships to area high school students during the Tech Challenge that will be paid only if the students attend the College. In addition, the Foundation awards scholarships to students that will only be paid if the students attend the College and continue to meet the scholarship requirements. Should a student not attend or otherwise fail to meet the requirements of the scholarship, the funds become available for distribution to other students. On rare occasions, these funds may be returned to the donor. Funds are on deposit with the Foundation to pay these scholarships. As of June 30, 2024, the potential liability included:

Annual Scholarships	\$ 468,376
Tech Challenge	8,823
Total	\$ 477,199

7. Endowment

The Foundation endowment (the Endowment) consists of individual funds established by donors to provide annual funding for specific activities and general operations. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 COMPONENT UNIT (CONTINUED)

7. Endowment (Continued)

The Foundation's board of directors has interpreted the state of Wisconsin and Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At June 30, 2024, there were no such donor stipulations. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. The Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

As of June 30, 2024, the Foundation had the following endowment net asset composition by type of fund:

June 30, 2024	Without Donor Restriction	With Donor Restrictions	Total
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	\$ -	\$ 5,283,651	\$ 5,283,651
Accumulated Investment Gains	-	1,516,703	1,516,703
Total	<u>\$ -</u>	<u>\$ 6,800,354</u>	<u>\$ 6,800,354</u>

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Foundation has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. As of June 30, 2024, no underwater endowments exist.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 COMPONENT UNIT (CONTINUED)

7. Endowment (Continued)

Investment and Spending Policies

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the programs supported by the endowments. The endowment assets are invested in a manner to grow the aggregate portfolio value at the rate of comparable industry standard benchmarks. The Foundation has a policy of appropriating for distribution that attempts to provide a predictable stream of funding to the programs supported by the endowments. In establishing this policy, the Foundation considered the long-term expected returns on its endowment investments. Accordingly, over the long term, the Foundation expects the current spending policy will allow its endowment to exist and provide for grant making perpetually. The Foundation relies on a total return strategy in which investment returns are achieved through capital appreciation and current yield (interest and dividends). The Foundation targets a diversified asset allocation to achieve its long-term objectives within prudent risk constraints.

Changes in endowment net assets for the years ended June 30, 2024 are as follows:

June 30, 2024	Without Donor Restriction	With Donor Restrictions	Total
Endowment Net Assets - Beginning of Year	\$ -	\$ 5,306,882	\$ 5,306,882
Investment Return, Net	-	794,084	794,084
Contributions	-	862,848	862,848
Appropriation of Endowment Assets Pursuant to Spending-Rate Policy	-	(163,460)	(163,460)
Endowment Net Assets - End of Year	<u>\$ -</u>	<u>\$ 6,800,354</u>	<u>\$ 6,800,354</u>

8. Net Assets with Donor Restrictions

Net assets with donor restrictions as of June 30, 2024, are restricted for the following purposes or periods.

Subject to Expenditure for Specified Purpose:	
Scholarships and Grants	\$ 2,347,639
Endowments:	
Subject to Appropriation and Expenditure	1,516,703
Contributions Permanently Restricted to Endowment	<u>5,283,651</u>
Total	<u>6,800,354</u>
Total Net Assets with Donor Restrictions	<u>\$ 9,147,993</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 COMPONENT UNIT (CONTINUED)

9. Contributed Nonfinancial Assets

For the year ended June 30, 2024, contributed nonfinancial assets recognized by the Foundation included:

Institutional Support	\$ 118,182
Special Events	<u>599</u>
Total Contributed Nonfinancial Assets	<u><u>\$ 118,781</u></u>

The majority of the contributed nonfinancial assets recorded represent expenses of the Foundation that were paid by the College on behalf of the Foundation. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed nonfinancial assets are utilized in operating activities. Contributed nonfinancial assets are valued at the amount of the cost to the College.

Additionally, the Foundation receives a significant amount of contributed time that does not meet the recognition criteria for contributed professional services. Accordingly, the value of this contributed time has not been determined and is not reflected in the accompanying statements of activities.

As of June 30, 2024, the Foundation owed the College a total of \$25,649 for projects funded through June 30, 2024. This amount is included in the Foundation's accounts payable and the District's accounts receivable.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Total OPEB Liability							
Service Cost	\$ 249,263	\$ 232,943	\$ 232,722	\$ 180,886	\$ 227,882	\$ 195,886	\$ 161,865
Interest on Total OPEB Liability	214,350	245,179	237,594	279,557	171,420	145,088	201,096
Effect of Economic/Demographic Gains / Losses	-	-	-	-	(263,673)	-	717,309
Effect of Assumptions Changes or Inputs	(174,888)	(62,513)	605,551	486,830	(61,055)	(421,304)	321,952
Differences Between Expected and Actual Experience	-	-	1,983,527	-	-	-	-
Benefit Payments	(695,317)	(1,200,177)	(1,048,353)	(1,271,872)	(1,173,656)	(989,488)	(856,672)
Net Change in Total OPEB Liability	<u>(406,592)</u>	<u>(784,568)</u>	<u>2,011,041</u>	<u>(324,599)</u>	<u>(1,099,082)</u>	<u>(1,069,818)</u>	<u>545,550</u>
Total OPEB Liability - Beginning	<u>7,617,022</u>	<u>7,210,430</u>	<u>6,425,862</u>	<u>8,436,903</u>	<u>8,112,304</u>	<u>7,013,222</u>	<u>5,943,404</u>
Total OPEB Liability - Ending	<u>\$ 7,210,430</u>	<u>\$ 6,425,862</u>	<u>\$ 8,436,903</u>	<u>\$ 8,112,304</u>	<u>\$ 7,013,222</u>	<u>\$ 5,943,404</u>	<u>\$ 6,488,954</u>
Covered-Employee Payroll	<u>\$ 31,190,439</u>	<u>\$ 29,482,975</u>	<u>\$ 26,291,445</u>	<u>\$ 24,638,050</u>	<u>\$ 23,369,743</u>	<u>\$ 23,240,234</u>	<u>\$ 20,755,522</u>
District's Total OPEB Liability as a Percentage of Covered-Employee Payroll	23.12%	21.80%	32.09%	32.93%	30.01%	25.57%	31.26%

* The District implemented GASB Statement No. 75 for the year ended June 30, 2018. Amounts for prior years were not available.

See accompanying Notes to Required Supplementary Information.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
WISCONSIN RETIREMENT SYSTEM
LAST TEN MEASUREMENT PERIODS***

Plan Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.37584133%	\$ (9,229,153)	\$ 58,054,078	15.90%	102.74%
12/31/15	0.37326892%	6,065,548	52,678,129	11.51%	98.20%
12/31/16	0.36582616%	3,015,281	52,142,556	5.78%	99.12%
12/31/17	0.36244626%	(10,761,459)	52,782,070	20.39%	102.93%
12/31/18	0.36013382%	12,812,432	55,894,579	22.92%	96.45%
12/31/19	0.35608073%	(11,481,668)	55,807,753	20.57%	102.96%
12/31/20	0.35226946%	(21,992,671)	57,562,419	38.21%	105.26%
12/31/21	0.33949053%	(27,363,561)	56,168,157	48.72%	106.02%
12/31/22	0.32774103%	17,362,748	56,754,154	30.59%	95.72%
12/31/23	0.31359160%	4,662,498	59,002,427	7.90%	98.85%

**SCHEDULE OF CONTRIBUTIONS – WISCONSIN RETIREMENT SYSTEM
LAST TEN FISCAL YEARS***

District Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/15	\$ 3,584,916	\$ 3,584,916	\$ -	\$ 51,213,086	7.00%
6/30/16	3,532,049	3,532,049	-	52,715,922	6.70%
6/30/17	3,466,248	3,466,248	-	51,732,572	6.70%
6/30/18	3,695,626	3,695,626	-	54,758,488	6.75%
6/30/19	3,744,936	3,744,936	-	55,922,966	6.70%
6/30/20	3,656,862	3,656,862	-	55,807,753	6.55%
6/30/21	3,891,087	3,891,087	-	57,562,419	6.76%
6/30/22	3,743,390	3,743,390	-	56,484,822	6.63%
6/30/23	3,958,743	3,958,743	-	59,569,715	6.65%
6/30/24	4,069,882	4,069,882	-	59,420,096	6.85%

**The amounts reported for each fiscal year were determined as of the prior fiscal year-end. The District is required to present the last 10 fiscal years of data; however accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.*

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2024**

NOTE 1 OTHER POSTEMPLOYMENT BENEFITS

There were no changes of benefit terms.

See Note 2.F for actuarial assumptions used in determining amounts related to other postemployment benefits. There were no significant changes in assumptions for the year ended June 30, 2024.

NOTE 2 WISCONSIN RETIREMENT SYSTEM

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

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 adjustment 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 WR 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 adjustment from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the 2018 WR Experience Mortality Table.

The amounts reported for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. The District is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2024**

NOTE 2 WISCONSIN RETIREMENT SYSTEM (CONTINUED)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:

	2023	2022	2021	2020	2019
Valuation Date:	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.4%	5.4%	5.4%	5.4%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	6.8%	7.0%	7.0%	7.0%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.0%	3.0%	3.0%	3.0%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	1.7%	1.9%	1.9%	1.9%	2.1%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2021 valuation pursuant to an experience study of the period 2018-2020.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015 - 2017.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.
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.	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).

*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.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2024**

NOTE 2 WISCONSIN RETIREMENT SYSTEM (CONTINUED)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:

	2018	2017	2016	2015	2014
Valuation Date:	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.5%	5.5%	5.5%	5.5%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	7.2%	7.2%	7.2%	7.2%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.2%	3.2%	3.2%	3.2%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	2.1%	2.1%	2.1%	2.1%	2.1%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.
Mortality:	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality.	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality.	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality.

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

SUPPLEMENTARY FINANCIAL INFORMATION

The following supplementary information is provided to document the District's compliance with budgetary requirements. To maintain accountability of available resources, the District utilizes accounts in accordance with the principles of fund accounting. This accountability is an essential requirement to maintain the public trust. The method of accounting used for budgetary compliance monitoring is substantially different from the method of preparing the basic financial statements of the District. At the end of this section is a reconciliation between the two methods. The District has also presented certain combining schedules and individual schedules to provide additional information to the users of these financial statements.

GENERAL FUND

The general fund is the primary operating fund of the District. It is available for any legally authorized purpose and is therefore used to account for all revenues and expenditures for activities not provided for in other funds.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
YEAR ENDED JUNE 30, 2024**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
REVENUES						
Local Government - Tax Levy	\$ 13,770,000	\$ 14,454,030	\$ 14,397,244	\$ -	\$ 14,397,244	\$ (56,786)
Intergovernmental Revenue:						
State	46,630,000	44,880,000	44,484,587	-	44,484,587	(395,413)
Tuition and Fees:						
Statutory Program Fees	19,380,000	19,380,000	19,024,571	-	19,024,571	(355,429)
Material Fees	1,100,000	1,100,000	1,031,484	-	1,031,484	(68,516)
Other Student Fees	1,035,000	1,035,000	1,134,859	-	1,134,859	99,859
Institutional	570,000	666,400	1,261,189	-	1,261,189	594,789
Total Revenues	<u>82,485,000</u>	<u>81,515,430</u>	<u>81,333,934</u>	<u>-</u>	<u>81,333,934</u>	<u>(181,496)</u>
EXPENDITURES						
Instruction	52,207,800	50,536,535	49,294,466	-	49,294,466	1,242,069
Instructional Resources	1,460,700	1,455,700	1,236,238	-	1,236,238	219,462
Student Services	10,577,600	10,148,400	9,311,934	-	9,311,934	836,466
General Institutional	14,646,500	15,851,666	15,814,868	-	15,814,868	36,798
Physical Plant	5,833,400	5,781,200	5,596,683	(235,521)	5,361,162	420,038
Total Expenditures	<u>84,726,000</u>	<u>83,773,501</u>	<u>81,254,189</u>	<u>(235,521)</u>	<u>81,018,668</u>	<u>2,754,833</u>
Excess of Revenues Over (Under) Expenditures	(2,241,000)	(2,258,071)	79,745	235,521	315,266	2,573,337
OTHER FINANCING SOURCES (USES)						
Transfers In	-	46,549	113,105	-	113,105	66,556
Transfers Out	(15,000)	(1,547,400)	(1,569,855)	-	(1,569,855)	(22,455)
Total Other Financing Sources (Uses)	<u>(15,000)</u>	<u>(1,500,851)</u>	<u>(1,456,750)</u>	<u>-</u>	<u>(1,456,750)</u>	<u>44,101</u>
NET CHANGE IN FUND BALANCE	(2,256,000)	(3,758,922)	(1,377,005)	235,521	(1,141,484)	2,617,438
Fund Balance - Beginning of Year	<u>27,994,840</u>	<u>29,900,286</u>	<u>29,900,286</u>	<u>(235,521)</u>	<u>29,664,765</u>	<u>(235,521)</u>
FUND BALANCE - END OF YEAR	<u>\$ 25,738,840</u>	<u>\$ 26,141,364</u>	<u>\$ 28,523,281</u>	<u>\$ -</u>	<u>\$ 28,523,281</u>	<u>\$ 2,381,917</u>

SPECIAL REVENUE FUNDS

The special revenue funds are used to account for the proceeds and related financial activity of specific revenue sources that are legally restricted for a specific purpose except for major capital projects and expendable trusts. After the fund is created, it usually continues year after year until discontinued or revised by proper legal action. The District has two special revenue funds:

Aidable Fund – The operating fund is used to account for the proceeds from specific revenue sources (other than non-aidable funds or major capital projects) that are legally restricted as to expenditures for specific purposes.

Non-Aidable Fund – The non-aidable fund is used to account for assets held by the District in a trustee capacity, primarily for student financial aids and other student activities.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE AIDABLE FUND
YEAR ENDED JUNE 30, 2024**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
REVENUES						
Local Government - Tax Levy	\$ 1,612,048	\$ 1,138,088	\$ 1,138,089	\$ -	\$ 1,138,089	\$ 1
Intergovernmental Revenue:						
State	1,166,074	2,709,633	2,463,254	-	2,463,254	(246,379)
Federal	2,569,515	2,987,210	2,609,665	-	2,609,665	(377,545)
Tuition And Fees:						
Statutory Program Fees	142,000	129,100	27,252	-	27,252	(101,848)
Material Fees	44,000	40,100	6,881	-	6,881	(33,219)
Other Student Fees	183,000	174,442	227,890	-	227,890	53,448
Institutional	8,972,100	11,186,298	11,025,548	-	11,025,548	(160,750)
Total Revenues	<u>14,688,737</u>	<u>18,364,871</u>	<u>17,498,579</u>	<u>-</u>	<u>17,498,579</u>	<u>(866,292)</u>
EXPENDITURES						
Instruction	12,781,874	14,698,698	14,063,644	(104,715)	13,958,929	739,769
Instructional Resources	-	1,175	140	-	140	1,035
Student Services	1,736,964	2,968,605	2,948,062	-	2,948,062	20,543
General Institutional	169,899	649,844	434,025	-	434,025	215,819
Total Expenditures	<u>14,688,737</u>	<u>18,318,322</u>	<u>17,445,871</u>	<u>(104,715)</u>	<u>17,341,156</u>	<u>977,166</u>
Excess Of Revenues Over (Under) Expenditures	-	46,549	52,708	104,715	157,423	110,874
OTHER FINANCING SOURCES (USES)						
Transfers Out	-	(46,549)	(62,725)	-	(62,725)	(16,176)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(46,549)</u>	<u>(62,725)</u>	<u>-</u>	<u>(62,725)</u>	<u>(16,176)</u>
NET CHANGE IN FUND BALANCE	-	-	(10,017)	104,715	94,698	94,698
Fund Balance - Beginning of Year	<u>126,229</u>	<u>188,911</u>	<u>188,911</u>	<u>(104,715)</u>	<u>84,196</u>	<u>(104,715)</u>
FUND BALANCE - END OF YEAR	<u>\$ 126,229</u>	<u>\$ 188,911</u>	<u>\$ 178,894</u>	<u>\$ -</u>	<u>\$ 178,894</u>	<u>\$ (10,017)</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE NON-AIDABLE FUND
YEAR ENDED JUNE 30, 2024**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
REVENUES						
Local Government - Tax Levy	\$ 220,000	\$ 87,022	\$ 87,022	\$ -	\$ 87,022	\$ -
Intergovernmental Revenue:						
State	2,270,000	2,270,000	2,359,349	-	2,359,349	89,349
Federal	8,041,000	9,856,000	9,864,482	-	9,864,482	8,482
Tuition and Fees:						
Other Student Fees	1,315,000	1,315,000	1,285,937	-	1,285,937	(29,063)
Institutional	27,000	27,000	21,314	-	21,314	(5,686)
Total Revenues	<u>11,873,000</u>	<u>13,555,022</u>	<u>13,618,104</u>	<u>-</u>	<u>13,618,104</u>	<u>63,082</u>
EXPENDITURES						
Student Services	<u>11,873,000</u>	<u>13,555,022</u>	<u>13,552,834</u>	<u>-</u>	<u>13,552,834</u>	<u>2,188</u>
NET CHANGE IN FUND BALANCE	-	-	65,270	-	65,270	65,270
Fund Balance - Beginning of Year	<u>1,190,482</u>	<u>1,225,737</u>	<u>1,225,737</u>	<u>-</u>	<u>1,225,737</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,190,482</u>	<u>\$ 1,225,737</u>	<u>\$ 1,291,007</u>	<u>\$ -</u>	<u>\$ 1,291,007</u>	<u>\$ 65,270</u>

CAPITAL PROJECTS FUND

The capital projects fund is used to account for all resources and related financial activity for all capital expenditure projects regarding the acquisition of sites, purchase, or construction of buildings (including equipping), lease/purchase of buildings, or remodeling and improvement of buildings.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2024**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
REVENUES						
Intergovernmental Revenue:						
State	\$ 25,000	\$ 25,000	\$ 23,853	\$ -	\$ 23,853	\$ (1,147)
Federal	-	49,996	49,996	-	49,996	-
Institutional	-	262,221	387,294	-	387,294	125,073
Total Revenues	<u>25,000</u>	<u>337,217</u>	<u>461,143</u>	<u>-</u>	<u>461,143</u>	<u>123,926</u>
EXPENDITURES						
Instruction	8,428,000	8,273,718	7,240,133	311,272	7,551,405	722,313
Instructional Resources	445,000	684,839	537,680	30,583	568,263	116,576
Student Services	357,800	157,558	110,115	12,737	122,852	34,706
General Institutional	8,404,900	8,902,834	8,349,957	164,013	8,513,970	388,864
Physical Plant	4,537,100	6,052,590	4,137,763	603,044	4,740,807	1,311,783
Auxiliary Services	9,000	-	-	-	-	-
Total Expenditures	<u>22,181,800</u>	<u>24,071,539</u>	<u>20,375,648</u>	<u>1,121,649</u>	<u>21,497,297</u>	<u>2,574,242</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,156,800)	(23,734,322)	(19,914,505)	(1,121,649)	(21,036,154)	2,698,168
OTHER FINANCING SOURCES (USES)						
Transfers In	-	25,000	25,000	-	25,000	-
Long-Term Debt Issued	21,560,000	21,560,000	20,560,000	-	20,560,000	(1,000,000)
Total Other Financing Sources (Uses)	<u>21,560,000</u>	<u>21,585,000</u>	<u>20,585,000</u>	<u>-</u>	<u>20,585,000</u>	<u>(1,000,000)</u>
NET CHANGE IN FUND BALANCE	(596,800)	(2,149,322)	670,495	(1,121,649)	(451,154)	1,698,168
Fund Balance - Beginning of Year	<u>(2,478,138)</u>	<u>8,193,654</u>	<u>8,193,654</u>	<u>(2,520,931)</u>	<u>5,672,723</u>	<u>(2,520,931)</u>
FUND BALANCE - END OF YEAR	<u>\$ (3,074,938)</u>	<u>\$ 6,044,332</u>	<u>\$ 8,864,149</u>	<u>\$ (3,642,580)</u>	<u>\$ 5,221,569</u>	<u>\$ (822,763)</u>

DEBT SERVICE FUND

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2024**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
REVENUES						
Local Government - Tax Levy	\$ 21,308,000	\$ 21,344,865	\$ 21,344,865	\$ -	\$ 21,344,865	\$ -
Institutional	25,000	25,000	575,465	-	575,465	550,465
Total Revenues	<u>21,333,000</u>	<u>21,369,865</u>	<u>21,920,330</u>	<u>-</u>	<u>21,920,330</u>	<u>550,465</u>
EXPENDITURES						
Physical Plant	<u>21,011,000</u>	<u>21,047,865</u>	<u>20,955,893</u>	<u>-</u>	<u>20,955,893</u>	<u>91,972</u>
Excess (Deficiency) of Revenues Over Expenditures	322,000	322,000	964,437	-	964,437	642,437
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	-	-
Long-Term Debt Issued	-	781,497	781,496	-	781,496	(1)
Total Other Financing Sources	<u>-</u>	<u>781,497</u>	<u>781,496</u>	<u>-</u>	<u>781,496</u>	<u>(1)</u>
NET CHANGE IN FUND BALANCE	322,000	1,103,497	1,745,933	-	1,745,933	642,436
Fund Balance - Beginning of Year	<u>4,201,615</u>	<u>5,455,862</u>	<u>5,455,862</u>	<u>-</u>	<u>5,455,862</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 4,523,615</u></u>	<u><u>\$ 6,559,359</u></u>	<u><u>\$ 7,201,795</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 7,201,795</u></u>	<u><u>\$ 642,436</u></u>

ENTERPRISE FUNDS

The enterprise funds are used to account for the District's operations where the cost of providing goods or services to students, district staff, faculty or the general public on a continuing basis is financed or recovered primarily through user charges or where the district board has decided that periodic determination of revenues, expenses or net income is appropriate. The operations of the District's bookstore, as well as various other minor services are accounted for in the enterprise funds.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2024**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
REVENUES						
Local Government - Tax Levy	\$ 447,900	\$ 369,200	\$ 369,200	\$ -	\$ 369,200	\$ -
Auxiliary Revenue	4,658,000	5,232,801	5,260,226	-	5,260,226	27,425
Total Revenues	<u>5,105,900</u>	<u>5,602,001</u>	<u>5,629,426</u>	<u>-</u>	<u>5,629,426</u>	<u>27,425</u>
EXPENSES						
Auxiliary Services	5,164,400	5,660,501	5,514,918	-	5,514,918	145,583
Excess (Deficiency) of Revenues Over Expenses	(58,500)	(58,500)	114,508	-	114,508	173,008
OTHER FINANCING SOURCES (USES)						
Transfers In	15,000	15,000	193,223	-	193,223	178,223
Transfers Out	-	-	(206,147)	-	(206,147)	(206,147)
Total Other Financing Sources (Uses)	<u>15,000</u>	<u>15,000</u>	<u>(12,924)</u>	<u>-</u>	<u>(12,924)</u>	<u>(27,924)</u>
NET CHANGE IN NET POSITION	(43,500)	(43,500)	101,584	-	101,584	145,084
Net Position - Beginning of Year	<u>1,676,434</u>	<u>1,518,424</u>	<u>1,518,424</u>	<u>-</u>	<u>1,518,424</u>	<u>-</u>
NET POSITION - END OF YEAR	<u>\$ 1,632,934</u>	<u>\$ 1,474,924</u>	<u>\$ 1,620,008</u>	<u>\$ -</u>	<u>\$ 1,620,008</u>	<u>\$ 145,084</u>

INTERNAL SERVICE FUND

The internal service fund is used to account for the financing and related financial activities of goods and services provided by one department of the college to other departments of the college, or to other governmental units on a cost reimbursement basis. The District is self-insured for health and dental insurance coverage. As a result, it utilizes an internal service fund to track these activities.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2024**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
REVENUES						
Auxiliary Revenue	\$ 12,260,000	\$ 13,820,000	\$ 13,839,758	\$ -	\$ 13,839,758	\$ 19,758
EXPENSES						
Auxiliary Services	12,260,000	15,970,000	15,940,881	-	15,940,881	29,119
Excess (Deficiency) of Revenues Over Expenses	-	(2,150,000)	(2,101,123)	-	(2,101,123)	48,877
OTHER FINANCING SOURCES						
Transfers In	-	1,500,000	1,500,000	-	1,500,000	-
NET CHANGE IN NET POSITION	-	(650,000)	(601,123)	-	(601,123)	48,877
Net Position - Beginning of Year	1,965,411	836,924	836,924	-	836,924	-
NET POSITION - END OF YEAR	<u>\$ 1,965,411</u>	<u>\$ 186,924</u>	<u>\$ 235,801</u>	<u>\$ -</u>	<u>\$ 235,801</u>	<u>\$ 48,877</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE TO RECONCILE THE COMBINED BALANCE SHEET – ALL FUND TYPES
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024**

	General Fund	Special Revenue Aidable Fund	Special Revenue Non-Aidable Fund	Capital Projects Fund	Debt Service Fund
ASSETS					
Cash and Cash Equivalents	\$ 22,883,446	\$ 306,266	\$ 1,357,015	\$ -	\$ 3,058,190
Restricted Cash and Cash Equivalents	-	-	-	11,092,377	-
Receivables:					
Property Taxes	5,754,541	-	-	-	4,089,255
Accounts, Net	2,210,747	2,207,616	158,013	7,988	54,350
Lease	-	-	-	-	-
Due from Other Funds	1,525,049	-	-	-	-
Inventories	-	38,878	-	-	-
Prepaid Items	211,632	540	-	-	-
Capital Assets, Non-Depreciable\Amortizable	-	-	-	-	-
Capital Assets, Depreciable\Amortizable	-	-	-	-	-
Accumulated Depreciation\Amortization	-	-	-	-	-
Total Assets	<u>32,585,415</u>	<u>2,553,300</u>	<u>1,515,028</u>	<u>11,100,365</u>	<u>7,201,795</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION					
LIABILITIES					
Accounts Payable	735,617	169,939	55,024	2,211,557	-
Accrued Payroll, Payroll Taxes, and Fringes	1,203,388	111,920	12,263	24,659	-
Accrued Interest	-	-	-	-	-
Due to Other Funds	-	1,415,358	151,430	-	-
Unearned Revenue	2,123,129	677,189	5,304	-	-
Current Portion of Other Postemployment Benefit Liability	-	-	-	-	-
Current Portion of Long-Term Liabilities	-	-	-	-	-
Noncurrent Portion of Long-Term Liabilities	-	-	-	-	-
Net Pension Liability	-	-	-	-	-
Other Postemployment Benefit Liability	-	-	-	-	-
Total Liabilities	<u>4,062,134</u>	<u>2,374,406</u>	<u>224,021</u>	<u>2,236,216</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES/NET POSITION					
Investment in Capital Assets	-	-	-	-	-
Nonspendable:					
Inventories and Prepaid Expenses	211,632	39,418	-	-	-
Restricted:					
Encumbrances	-	-	-	3,642,580	-
Debt Service	-	-	-	-	7,201,795
Assigned:					
Encumbrances	-	-	-	-	-
Self-Funded Insurance	-	-	-	-	-
Postemployment Benefits	-	-	-	-	-
Enterprise	-	-	-	-	-
Student Organizations	-	-	-	-	-
Operations	28,311,649	-	-	-	-
Unassigned	-	139,476	1,291,007	5,221,569	-
Total Fund Balance/Net Position	<u>28,523,281</u>	<u>178,894</u>	<u>1,291,007</u>	<u>8,864,149</u>	<u>7,201,795</u>
Total Liabilities, Deferred Inflows of Resources and, Fund Balances/Net Position	<u>\$ 32,585,415</u>	<u>\$ 2,553,300</u>	<u>\$ 1,515,028</u>	<u>\$ 11,100,365</u>	<u>\$ 7,201,795</u>

See accompanying Notes to Budgetary Comparison Schedules.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE TO RECONCILE THE COMBINED BALANCE SHEET – ALL FUND TYPES
TO THE STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2024**

	Enterprise Funds	Internal Service Fund	Total	Reconciling Items	Statement of Net Position
ASSETS					
Cash and Cash Equivalents	\$ 1,159,266	\$ 1,573,593	\$ 30,337,776	\$ -	\$ 30,337,776
Restricted Cash and Cash Equivalents	-	-	11,092,377	-	11,092,377
Receivables:					
Property Taxes	-	-	9,843,796	-	9,843,796
Accounts, Net	37,632	17,389	4,693,735	-	4,693,735
Lease	-	-	-	157,597	157,597
Due from Other Funds	-	41,739	1,566,788	(1,566,788)	-
Inventories	427,914	-	466,792	-	466,792
Prepaid Items	14,608	-	226,780	-	226,780
Capital Assets, Non-Depreciable\Amortizable	-	-	-	8,539,125	8,539,125
Capital Assets, Depreciable\Amortizable	278,410	-	278,410	215,630,286	215,908,696
Accumulated Depreciation\Amortization	(109,963)	-	(109,963)	(96,109,927)	(96,219,890)
Total Assets	<u>1,807,867</u>	<u>1,632,721</u>	<u>58,396,491</u>	<u>126,650,293</u>	<u>185,046,784</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,086,859</u>	<u>41,086,859</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION					
LIABILITIES					
Accounts Payable	106,411	43,920	3,322,468	(627,854)	2,694,614
Accrued Payroll, Payroll Taxes, and Fringes	56,069	1,353,000	2,761,299	2,647,841	5,409,140
Accrued Interest	-	-	-	713,520	713,520
Due to Other Funds	-	-	1,566,788	(1,566,788)	-
Unearned Revenue	25,379	-	2,831,001	(1,294,321)	1,536,680
Current Portion of Other Postemployment Benefit Liability	-	-	-	837,288	837,288
Current Portion of Long-Term Liabilities	-	-	-	19,853,009	19,853,009
Noncurrent Portion of Long-Term Liabilities	-	-	-	84,170,505	84,170,505
Net Pension Liability	-	-	-	4,662,498	4,662,498
Other Postemployment Benefit Liability	-	-	-	5,651,666	5,651,666
Total Liabilities	<u>187,859</u>	<u>1,396,920</u>	<u>10,481,556</u>	<u>115,047,364</u>	<u>125,528,920</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,414,040</u>	<u>25,414,040</u>
FUND BALANCES/NET POSITION					
Investment in Capital Assets	-	-	-	33,068,566	33,068,566
Nonspendable:					
Inventories and Prepaid Expenses	-	-	251,050	(251,050)	-
Restricted:					
Encumbrances	-	-	3,642,580	(3,642,580)	-
Debt Service	-	-	7,201,795	(713,520)	6,488,275
Assigned:					
Encumbrances	-	-	-	-	-
Self-Funded Insurance	-	235,801	235,801	(235,801)	-
Postemployment Benefits	-	-	-	-	-
Enterprise	-	-	-	-	-
Student Organizations	-	-	-	-	-
Operations	-	-	28,311,649	(28,311,649)	-
Unassigned	1,620,008	-	8,272,060	27,361,782	35,633,842
Total Fund Balance/Net Position	<u>1,620,008</u>	<u>235,801</u>	<u>47,914,935</u>	<u>27,275,748</u>	<u>75,190,683</u>
Total Liabilities, Deferred Inflows of Resources and, Fund Balances/Net Position	<u>\$ 1,807,867</u>	<u>\$ 1,632,721</u>	<u>\$ 58,396,491</u>	<u>\$ 167,737,152</u>	<u>\$ 226,133,643</u>

See accompanying Notes to Budgetary Comparison Schedules.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE TO RECONCILE THE BUDGET (NON-GAAP) BASIC FINANCIAL
STATEMENTS TO THE STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2024**

	General Fund	Special Revenue Aidable Fund	Special Revenue Non-Aidable Fund	Capital Projects Fund	Debt Service Fund
REVENUES					
Local Government - Tax Levy	\$ 14,397,244	\$ 1,138,089	\$ 87,022	\$ -	\$ 21,344,865
Intergovernmental Revenue:					
State	44,484,587	2,463,254	2,359,349	23,853	-
Federal	-	2,609,665	9,864,482	49,996	-
Tuition and Fees:					
Statutory Program Fees	19,024,571	27,252	-	-	-
Material Fees	1,031,484	6,881	-	-	-
Other Student Fees	1,134,859	227,890	1,285,937	-	-
Institutional	1,261,189	11,025,548	21,314	387,294	575,465
Auxiliary Revenue	-	-	-	-	-
Total Revenues	<u>81,333,934</u>	<u>17,498,579</u>	<u>13,618,104</u>	<u>461,143</u>	<u>21,920,330</u>
EXPENDITURES					
Instruction	49,294,466	13,958,929	-	7,551,405	-
Instructional Resources	1,236,238	140	-	568,263	-
Student Services	9,311,934	2,948,062	13,552,834	122,852	-
General Institutional	15,814,868	434,025	-	8,513,970	-
Physical Plant	5,361,162	-	-	4,740,807	20,955,893
Auxiliary Services	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
Student Aid	-	-	-	-	-
Total Expenditures	<u>81,018,668</u>	<u>17,341,156</u>	<u>13,552,834</u>	<u>21,497,297</u>	<u>20,955,893</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>315,266</u>	<u>157,423</u>	<u>65,270</u>	<u>(21,036,154)</u>	<u>964,437</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	113,105	-	-	-	-
Transfers Out	(1,569,855)	(62,725)	-	25,000	-
Long-Term Debt Issued	-	-	-	20,560,000	-
Gain on Disposal of Capital Assets	-	-	-	-	-
Debt Premium Issued	-	-	-	-	781,496
Total Other Financing Sources (Uses)	<u>(1,456,750)</u>	<u>(62,725)</u>	<u>-</u>	<u>20,585,000</u>	<u>781,496</u>
NET CHANGE IN FUND BALANCES/NET POSITION	<u>(1,141,484)</u>	<u>94,698</u>	<u>65,270</u>	<u>(451,154)</u>	<u>1,745,933</u>
Fund Balances/Net Position - July 1, 2023					
Budgetary Basis	29,664,765	84,196	1,225,737	5,672,723	5,455,862
Fund Balances/Net Position - June 30, 2024					
Budgetary Basis	28,523,281	178,894	1,291,007	5,221,569	7,201,795
Adjustment for Encumbrances	-	-	-	3,642,580	-
FUND BALANCES/NET POSITION - JUNE 30, 2024	<u>\$ 28,523,281</u>	<u>\$ 178,894</u>	<u>\$ 1,291,007</u>	<u>\$ 8,864,149</u>	<u>\$ 7,201,795</u>

See accompanying Notes to Budgetary Comparison Schedules.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE TO RECONCILE THE BUDGET (NON-GAAP) BASIC FINANCIAL
STATEMENTS TO THE STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION (CONTINUED)
YEAR ENDED JUNE 30, 2024**

	Enterprise Funds	Internal Service Fund	Total	Reconciling Items	Statement of Revenues, Expenses and Changes in Net Position
REVENUES					
Local Government - Tax Levy	\$ 369,200	\$ -	\$ 37,336,420	\$ -	\$ 37,336,420
Intergovernmental Revenue:					
State	-	-	49,331,043	-	49,331,043 (1)
Federal	-	-	12,524,143	-	12,524,143 (2)
Tuition and Fees:					
Statutory Program Fees	-	-	19,051,823	(2,572,802)	16,479,021
Material Fees	-	-	1,038,365	(167,936)	870,429
Other Student Fees	-	-	2,648,686	(359,125)	2,289,561
Institutional	-	-	13,270,810	(134,578)	13,136,232 (3)
Auxiliary Revenue	5,260,226	13,839,758	19,099,984	(11,907,907)	7,192,077
Total Revenues	<u>5,629,426</u>	<u>13,839,758</u>	<u>154,301,274</u>	<u>(15,142,348)</u>	<u>139,158,926</u>
EXPENDITURES					
Instruction	-	-	70,804,800	(6,862,465)	63,942,335
Instructional Resources	-	-	1,804,641	(358,877)	1,445,764
Student Services	-	-	25,935,682	(12,337,038)	13,598,644
General Institutional	-	-	24,762,863	(5,572,702)	19,190,161
Physical Plant	-	-	31,057,862	(22,327,231)	8,730,631 (4)
Auxiliary Services	5,514,918	15,940,881	21,455,799	(11,928,511)	9,527,288
Depreciation/Amortization	-	-	-	18,330,475	18,330,475
Student Aid	-	-	-	9,027,644	9,027,644
Total Expenditures	<u>5,514,918</u>	<u>15,940,881</u>	<u>175,821,647</u>	<u>(32,028,705)</u>	<u>143,792,942</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>114,508</u>	<u>(2,101,123)</u>	<u>(21,520,373)</u>	<u>16,886,357</u>	<u>(4,634,016)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	193,223	1,500,000	1,806,328	(1,806,328)	-
Transfers Out	(206,147)	-	(1,813,727)	1,813,727	-
Long-Term Debt Issued	-	-	20,560,000	(20,560,000)	-
Gain on Disposal of Capital Assets	-	-	-	103,615	103,615
Debt Premium Issued	-	-	781,496	(781,496)	-
Total Other Financing Sources (Uses)	<u>(12,924)</u>	<u>1,500,000</u>	<u>21,334,097</u>	<u>(21,230,482)</u>	<u>103,615</u>
NET CHANGE IN FUND BALANCES/NET POSITION	<u>101,584</u>	<u>(601,123)</u>	<u>(186,276)</u>	<u>(4,344,125)</u>	<u>(4,530,401)</u>
Fund Balances/Net Position - July 1, 2023					
Budgetary Basis	1,518,424	836,924	44,458,631	35,262,453	79,721,084
Fund Balances/Net Position - June 30, 2024					
Budgetary Basis	1,620,008	235,801	44,272,355	30,918,328	75,190,683
Adjustment for Encumbrances	-	-	3,642,580	(3,642,580)	-
FUND BALANCES/NET POSITION - JUNE 30, 2024	<u>\$ 1,620,008</u>	<u>\$ 235,801</u>	<u>\$ 47,914,935</u>	<u>\$ 27,275,748</u>	<u>\$ 75,190,683 (5)</u>

See accompanying Notes to Budgetary Comparison Schedules.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BUDGETARY COMPARISON SCHEDULES
YEAR ENDED JUNE 30, 2024**

NOTE 1 BUDGETARY ACCOUNTING

The District uses a fund structure for budgetary accounting as compared to the entity-wide presentation of the basic financial statements. Annual budgets are adopted for all funds in accordance with the requirements of the Wisconsin Technical College System Board. The District follows the procedures listed below in adopting its annual budget:

- Property taxes are levied by the various taxing municipalities. The District records as revenue its share of the local tax when levied, since the District's share becomes available during its fiscal year to finance its operations.
- Public hearings are conducted on the proposed budget prior to District Board approval.
- Prior to July 1, the budget is legally enacted through approval by the District Board.
- Budget amendments during the year are legally authorized. Budget transfers (between funds and functional areas within funds) and changes in budgeted revenue and expenditures (appropriations) require approval by a vote of two-thirds of the entire membership of the Board and require publishing a Class I public notice in the District's official newspaper within 10 days according to Wisconsin Statutes.
- Management exercises control over budgeted expenditures by fund and function (i.e., instruction, instructional resources, etc.), as presented in the required supplementary information. Expenditures may not exceed funds available or appropriated, unless authorized by a resolution adopted by a vote of two-thirds of the Board. Unused appropriations lapse at the end of each fiscal year.
- Formal budgetary integration is employed as a planning device for all funds. The annual operating budget is prepared primarily on the same basis as fund financial statements, except encumbrances are also included in the adopted budget. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the formal budgetary process.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BUDGETARY COMPARISON SCHEDULES (CONTINUED)
YEAR ENDED JUNE 30, 2024**

NOTE 2 EXPLANATION OF DIFFERENCES BETWEEN REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES) FOR BUDGETARY FUNDS ON A BUDGETARY BASIS AND THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION ON A GAAP BASIS

State grant revenues are presented on the Statement of Revenues, Expenses, and Changes in Net Position as follows:

- (1) State grants revenue is presented on the basic financial statements as follows:

Operating	\$ 467,782
Capital Contributions	23,853
Nonoperating	<u>48,839,408</u>
Total	<u><u>\$ 49,331,043</u></u>

Federal grant revenues are presented on the Statement of Revenues, Expenses, and Changes in Net Position as follows:

- (2) Federal grants revenue is presented on the basic financial statements as follows:

Operating	\$ 3,407,172
Nonoperating	9,116,971
Total	<u><u>\$ 12,524,143</u></u>

Institutional revenue is reported as four separate line items on the basic financial statements:

- (3) Institutional revenue is reported as three separate line items on the basic financial statements:

Contract Revenue	\$ 9,368,470
Miscellaneous Revenue	2,367,898
Investment Income Earned	<u>1,399,864</u>
Total	<u><u>\$ 13,136,232</u></u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BUDGETARY COMPARISON SCHEDULES (CONTINUED)
YEAR ENDED JUNE 30, 2024**

NOTE 2 EXPLANATION OF DIFFERENCES BETWEEN REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES) FOR BUDGETARY FUNDS ON A BUDGETARY BASIS AND THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION ON A GAAP BASIS (CONTINUED)

Interest expense is reported as a component of physical plant on the budgetary statements:

- (4) Interest expense is reported as a component of physical plant on the budgetary statements:

Physical Plant	\$ 6,262,207
Interest Expense	2,216,249
Bond Issuance Costs	<u>252,175</u>
Total	<u><u>\$ 8,730,631</u></u>

Reconciliation of fund equity and net position as presented on the Statement of Revenues, Expenses, and Changes in Net Position is as follows:

- (5) Reconciliation of budgetary basis fund balance and net position as presented in the basic financial statements:

Budgetary Basis Fund Balance	\$ 44,272,355
Adjustments:	
Lease Receivable	157,597
General Capital Assets - Cost	224,169,411
Accumulated Depreciation/Amortization on General Capital Assets	(96,109,927)
General Obligation Debt	(91,045,000)
Bond Premium	(3,300,302)
SBITA Liability	(9,050,358)
Long-Term Portion of Vacation Payable	(1,698,144)
Retiree Health Insurance Liability	(6,488,954)
Accrued Interest on Debt Payable	(713,520)
Net Pension Liability	(4,662,498)
Summer School Tuition Earned	1,294,321
Summer School Wages Paid	(949,697)
Deferred Outflows Related to Pension and OPEB	41,086,859
Deferred Inflows Related to Pension, OPEB, and Leases	(25,414,040)
Encumbrances Outstanding at Year End	<u>3,642,580</u>
Total Adjustments	<u><u>30,918,328</u></u>
Net Position Per Basic Financial Statements	<u><u>\$ 75,190,683</u></u>

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



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

Board of Trustees
Northeast Wisconsin Technical College
Green Bay, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of Northeast Wisconsin Technical College (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 13, 2024.

The financial statements of the Northeast Wisconsin Technical College Educational Foundation, Inc. were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Northeast Wisconsin Technical College Educational Foundation, Inc.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



CliftonLarsonAllen LLP

Milwaukee, Wisconsin
December 13, 2024



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