



MORaine PARK
TECHNICAL COLLEGE

WISCONSIN



Moraine Park Technical College

2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT

For fiscal years ending June 30, 2019 and 2018

Moraine Park Technical College

Fond du Lac, Wisconsin

Comprehensive Annual Financial Report
For Fiscal Years Ended June 30, 2019 and 2018

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Moraine Park Technical College

Fond du Lac, Wisconsin

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Moraine Park Technical College

Fond du Lac, Wisconsin

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INTRODUCTORY SECTION



December 6, 2019

To the Citizens, Board of Directors and District of the Moraine Park Technical College:

The Comprehensive Annual Financial Report for the Moraine Park Technical College District (hereafter referred to as "College", "MPTC" or "District") for the fiscal year ended June 30, 2019, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge, the enclosed data is accurate and reported in a manner designed to present fairly the financial position and results of operations of the District. We have included all disclosures necessary to enable you to understand the District's financial activities.

The District is required to undergo an annual single audit to conform to the provisions of the Federal Uniform Guidance and the State Single Audit Guidelines issued by the State of Wisconsin. Information related to this single audit, including the schedules of expenditures of federal awards and state awards, schedule of findings and questioned costs and independent auditors' reports on the internal control and compliance with certain provisions of laws, regulations, contracts and grants is included in the single audit section of this report.

This annual report includes all financial activity of the District in conformity with Generally Accepted Accounting Principles (GAAP). This annual report is consistent with legal reporting requirements of the State of Wisconsin. Besides meeting legal reporting requirements, the annual report is intended to present a summary of the significant District financial data in a format which meets the varying needs of District citizens, students, employees, taxpayers, financial institutions, bond rating agencies and intergovernmental agencies, including the Wisconsin Technical College System. We believe this presentation will provide better information to the user of the Comprehensive Annual Financial Report (CAFR).

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the independent auditors' report.

REPORTING ENTITY

The Moraine Park Technical College District (also known as Moraine Park Technical College) is one of 16 districts in the Wisconsin Technical College System (WTCS). This system began as the first statewide occupational school system in the United States as the result of state legislation passed in 1911. The system continues to receive strong support from organized labor, agriculture and business and industry.

Since 1911, Moraine Park Technical College has been helping people acquire the knowledge and skills necessary to prepare them for a rewarding future in the world of business, industry and service occupations. Our campuses in Fond du Lac, West Bend and Beaver Dam have well-equipped, state-of-the-art educational and computer laboratories, highly experienced instructors and a curricula which is continually updated with assistance from MPTC's advisory committees. Our mission is to ensure that our students will acquire the knowledge and skills to become and remain employable in today's competitive job market.

The main campus and District administrative offices are located on the northeast side of Fond du Lac, while two branch campuses are located in West Bend and Beaver Dam. In addition, MPTC leases facilities for regional centers in Jackson and Ripon.

The District offers a variety of associate of applied science degree programs, two-year and one-year vocational diploma programs, apprenticeship programs, technical certificates and other adult education services. Students who graduated in 2018 from the District's associate degree or technical diploma programs experienced an 85% job placement rate.

The District is accredited by The Higher Learning Commission and a member of the North Central Association. Programs and courses are approved by the Wisconsin Technical College System Board and endorsed by the Veterans Administration, the American Association of Community Colleges and the Wisconsin Board of Nursing and Division of Nurses. Other selected programs are accredited by the National League of Nursing and other professional organizations.

VISION, MISSION AND VALUE STATEMENTS

Vision

A college of choice for students and a strategic partner for business and industry.

Mission

Preparing students for success in a diverse and globally connected world.

Value Statements

Collaboration - We value collaboration and communication among students, staff and community partners to strengthen our District and communities.

Lifelong Learning - We value learning as a lifelong journey in the pursuit of personal and professional growth.

Innovation - We value innovation and creativity to remain a leader in global technical education.

Integrity - We value fair, honest, respectful and ethical behaviors.

Inclusiveness - We value inclusiveness and respect for all, providing accessible education to diverse learners. We believe that team work is critical, that each member is important to accomplishing our mission.

Student-Centered - We value a responsive and supportive environment providing the rigor and relevance necessary to advance student learning, development and student.

Accountability - We value individual and shared responsibility for our actions and ensuring the future of Moraine Park, both academically and fiscally.

Continuous Improvement - We value informed decisions which promote sustainability, continuous improvement and effective and efficient use of resources.

Flexibility – We value the ability to remain nimble and able to respond quickly to meet changing student and workforce needs.

2018-19 STRATEGIC PLAN - COLLEGE GOALS AND OUTCOMES

The District focused on four strategic priorities for the 2018-19 fiscal year, which are as follows:

1. Build a supportive culture to make MPTC an employer of choice.
2. Improve student success through innovative programming, delivery and services.
3. Strengthen MPTC's K-16 and community connections.
4. Advance the efficient and effective use of technology.

The following highlights some of the District's most notable achievements towards those priorities.

College Priority: Build a supportive culture to make MPTC an employer of choice

Created a new five-year strategic plan titled Innovation 2025.

Conducted the Personal Assessment of the College Environment (PACE) with employees, which produced the highest ever recorded response rate of 81% (+32.49 difference from previous administration).

Created a new framework for administrative policy and procedure development and dissemination which promotes collaboration in development and access to external stakeholders.

Leveraged security access system capabilities to improve safety and security of campuses and create efficiencies for space utilization.

Managed the recruitment and hiring process for 57 positions and 1,251 applications (positions closed through February 2019).

Updated the support professional evaluation to align with talent review and succession processes.

Developed a comprehensive wellness plan aligned with the requirements for the Wellness Council of America (WELCOA) Well Workplace Award (application to be submitted in 2019-20).

Provided 234 learning experiences for 570 unduplicated faculty and staff with 47 Interactive Video Conference (IVC) workshops and 62 workshops on health and wellness topics (as of March 2019).

Faculty and staff completed 4,209 professional development courses, workshops and other learning experiences (as of February 2019).

Created a new online learning experience for the “Embracing Diversity” Faculty Quality Assurance System (FQAS) competency area with a companion Coaching session.

Increased the effectiveness of College teams through team leader coaching sessions, follow-up and assistance for posting agendas and minutes for Moraine Park Cross-Functional Teams and Project Teams, and facilitating a teambuilding activity for multiple teams.

College Priority: Improve student success through innovative programming, delivery and service

Celebrated the successful completion of a \$1.2 million campaign for the new Promise Scholarship program. The Promise Scholarship program was created to provide free tuition for low-income high school seniors who meet certain eligibility requirements. Enrolled the first Promise student cohort in fall, 2018.

Through generous gifts from staff, faculty, Foundation and District Board members, corporations, alumni, retirees, and friends of the College, the Moraine Park Foundation helped students succeed by making education affordable, assisting with unexpected emergencies, and supporting capital projects. Accomplishments include:

- Awarded \$186,000 in scholarships to 280 students
- Awarded \$25,000 in Forming Alliances to Cultivate Talent (FACT) Initiative scholarships to manufacturing program students
- Provided \$4,000 in emergency financial assistance to students at risk of dropping out
- Received \$30,000 for equipment for Manufacturing programs

Launched a new WordPress theme for the public website, featuring updated branding, and improvements to navigation, class search, and Programs of Study listing. Other features include a new Student Handbook, College Catalog, and Student Life Handbook. The 2018

theme is (ADA) accessible, meeting Web Content Accessibility Guidelines (WCAG) 2.0 AA standards.

New and Expanded Programs:

- Software Developer Associate Degree
- Marketing and Social media Management Associate Degree
- Paralegal Associate Degree
- IT Help Desk Technician Embedded Technical Diploma
- Bookkeeper Embedded Technical Diploma
- Tax Preparer Assistant Career Pathway Certificate
- Payroll Assistant Career Pathway Certificate

Awarded 29 Wisconsin Technical College System (WTCS) grants for the 2018-2019 school year, for a total of \$2,647,709. This includes two new grants: Expanding Nursing Assistant Courses (\$126,719) and Nursing Associate Degree Consortium (\$123,144).

Launched welding training at Taycheedah Correctional Institute through the use of a new mobile trailer to provide inmates with skills developed in the welding boot camp.

Delivered boot camps to support short term credentials in Computer Numerical Control (CNC) (2) and Welding (2). Four boot camps were successfully completed through the utilization of Wisconsin Fast Forward and General Purpose Revenue (GPR) grant dollars.

The welding boot camp was offered through a partnered GPR grant with Fox Valley Technical College.

Awarded \$545,727 in Workforce Advancement Training grants from WTCS to support customized training client projects. This is the largest amount of Workforce Advancement Training (WAT) grant funding received to date.

Library Services worked with Student Services, Information Technology, and testing/library staff to launch the College-Level Examination Program (CLEP) testing platform and process at each campus.

Achieved a 25% response rate on the Student Satisfaction Inventory (SSI), as compared with a national response rate of 20%. The results of this national benchmark study that assesses campus culture and services will be used to better understand student experiences and make necessary improvements.

Hosted Nursing Accreditation 3-day Site Visit held February 2019.

Implemented a student finance service model which better align functions and resources to help support student success and strengthen internal controls for cash management.

Completed a request for proposal for campus food services. In collaboration with the food service provider a program was developed to provide quality service and products in a cost effective manner.

Invested in multiple capital projects and facility improvements to increase engagement and student success including various remodels, parking lot resurfacings, signage, and wall hangings updates.

Achieved a drop in three-year repayment cohort default rate for financial aid students who graduated or left; from 13.4% to 9.8%. This gives the College a well below average default rate.

Deemed Military Friendly for 9th year in a row and Best for Vets 4 years in a row.

Created a Hispanic and Latino Scholarship and Resource Guide to be used for student support as well as for recruitment.

Expanded New Student Welcome Days to serve just under 500 new students. Offered an additional session for January 2019 starting students.

At-Risk for Faculty and Staff training was completed by full-time faculty and Student Services staff to improve staff responses to students who are in distress.

Disability Resources collaborated with Information Technology and Simplicity to integrate and install Accommodate software for student and staff applications.

Enrolled and graduated the first cohort of Gas Utility program students.

Implemented online transcript request ordering through the National Student Clearinghouse.

College Priority: Strengthen MPTC's K-16 and community connections

Researched and launched a community engagement plan, intended to empower employees to represent the College at events and activities throughout the district.

Created new videos for broad promotion of the College, as well as for the career cluster areas of the website. All videos are repurposed across social networks to maximize their reach and impact.

Focused efforts on K-12 dual credit instructors by automating many of the currently manual processes, much time will be saved, and significantly greater integrity of information will be gained.

Awarded educational partner of the year from the Dodge County Manufacturing Business Alliance.

Conducted a Bridges Out Of Poverty and Workplace Stability summit for 70 MPTC staff, business partners and area service providers, in partnership with the aha! Process.

Partnered with Beaver Dam Food Pantry utilizing the Beaver Dam campus for their monthly distribution.

Partnered Welding program students with the Washington County Parks Department to build six canoe/kayak/paddle board racks to be installed at Glacier Hills, Ackerman's Grove, and Leonard J. Yahr County Parks.

Deans, Associate Deans and faculty members met with several high school administrators and instructors throughout the year in to collaborate on dual credit options and seamless transition into technical college programs.

Partnered with Fond du Lac School District to share competency-based curriculum, research a joint Alternative School program, and guide the early phases of curriculum development for Fond du Lac High School Architecture, Construction, and Engineering (ACE) Academy.

Fast Forward grant dollars received for mentorship program development, tuition reimbursement for K-12 faculty, and course development for Occupational course work for K-12 faculty.

Enhance relationships with high school administrators and faculty including hiring two K-12 coordinators, revising communications to K-12 districts, facilitating in-services for content areas, and hosting a state-wide meeting for K-12 coordinators through WTCS for sharing best practices.

Became part of NASA's Wisconsin Scholarship Grant Consortium (WSGC), becoming one of only two technical colleges in the State to be a part of this elite group. It is designed to help future and present MPTC students to get help, information, and training related to STEM education.

Provide used equipment to District K12 schools and Department of Corrections when available.

College Priority: Advance the efficient and effective use of technology

Introduced a new navigational hierarchy and theme for morainepark.edu.

Usage analysis of computer hardware using LabStats reporting to make data driven decisions associated with the need for computers as part of capital building and remodel projects.

Purchased lower cost laptops for staff and faculty on Virtual Desktop Infrastructure (VDI) since the computer processing takes place on servers in the Data Center, rather than locally on computers.

Implemented a new anti-virus solution more adept at identifying the current style viruses due to advanced detection technologies.

Significant Access control project was substantially completed to provide central access control to over 400 doors district-wide.

Installed and implemented the Anatomage technology on the West Bend campus used in our Anatomy & Physiology courses, bringing innovative technology/delivery to the classroom.

Developed the Center for Online and Digital Learning to develop and implement online course content, comprehensive online student support, develop a system of data collection and reporting, evaluate existing online and blended curriculum and create an Online Teaching Academy for professional development of online faculty.

Completed an assessment of the annual safety and security compliance Clery reporting and created a project team to review and update accordingly.

Updated and simplified the application process in the applicant tracking system to enhance the candidate experience.

Revamped the College's employment website to support progressive and effective talent acquisition.

Redesigned and programmed Customer Relationship Management (CRM) admissions communications to increase student progression to admittance and registration. (Significant, trackable increases in applications, admits over the past year.)

Implemented use of text messaging for student communications.

FACILITIES AND CAPITAL INITIATIVES

Fond du Lac Campus

E-Wing Remodel

A portion of the E-Wing was remodeled as part of a three-phase project to move all District Office administrative functions to the main campus. This phase consolidated Human Resources and Organizational Development who work closely together but have never been in close proximity. The Finance and Foundation departments were also included in this phase.

Parking Lot Resurfacing

The parking lot O was resurfaced and re-stripped.

Beaver Dam Campus

Parking lot lighting upgrade

All parking lot lighting on both the West Bend and Beaver Dam campuses were upgraded with LED lighting. All the light poles at Beaver Dam and 60% of the poles at West Bend were also replaced as part of the project. The Fond du Lac campus was completed two years ago. Now all parking lot lighting will be energy efficient and the payback on the investment will be reached within a few years.

Parking Lot Resurfacing

The parking lot K and School Street were resurfaced and re-stripped.

West Bend Campus

Mothers Nursing Room

Two portable mothers nursing room units were purchased and installed at West Bend and Beaver Dam campuses to meet the needs of our students, community members and employees.

West Bend Remodel

The remodel covered over eight areas throughout the campus. The remodel included: completion of the last exam room for the Medical Assistant Program, two new general classrooms, two new Interactive Video Classrooms (IVC), one new computer lab, and renovation of three instructor's suites that will realign instructors by program and efficiently utilize office space. In addition to the focus on creating more classroom space, an original set of restrooms will be updated.

ACCREDITATION

Moraine Park Technical College is accredited by the Higher Learning Commission (HLC). The District received a comprehensive evaluation under the Program to Evaluate and Advance Quality (PEAQ) in 1994/1995, transitioning to the Academic Quality Improvement Program (AQIP) and moved to the Open Pathways methodology for accreditation in 2019.

Moraine Park has participated in the following accreditation activities:

- Maintained accreditation status in good standing since 2001
- Maintained annual action projects, per the AQIP Accreditation methodology
- The College received reaffirmation of Accreditation in 09/2018
- Transitioned from Academic Quality Improvement Program (AQIP) to Open Pathways
- Next reaffirmation of Accreditation in 2023/2024

Since selecting HLC's Open Pathways methodology the College will submit and/or participate in the following activities:

- Submit Interim report by 09/2020
- Submit Quality Initiative Proposal by 12/2021
- Submit Quality Initiative Report by 12/2023
- Participate in Comprehensive Evaluation by 12/2024

ECONOMIC CONDITION

The information presented in the financial statements and footnotes is supplemented by information provided below on other factors which may impact financial operations of the District for this year and the future.

State and Local Economy

Over the last year, the Wisconsin economy has continued to experience sustained growth despite some uncertainties clouding the forecast. Personal consumption growth continues to be strong, helped by tight job market, low interest rates, and low inflation¹. This is evidenced by the below national average unemployment rate of 3.2% in September 2019². Wisconsin's employment grew 0.8% in 2018, while personal income grew 4.0% in 2018¹. These figures reflect the slow growth of Wisconsin's labor force as echoed in the 2019 Business Leaders Outlook, where 60% of business leaders are concerned about the limited supply of talent. The concern is not only the skills gap but also the size of the applicant pools. To compete in the tightest US labor market since the 1960s, most companies are making changes to attract and retain talent³. Future forecasts suggest that the Wisconsin economy growth will slow down; GDP will decline by about 1.0% and personal income will increase by about 2.66% in 2019 and the labor market will slow down and likely turn negative⁴. Although the growth of the economy will slow down, in the absence of significant shocks, the economy will continue on its recent trends with relatively little chance of substantial economic downturn⁴.

The local economy has had similar results to those of the state. Counties within the District have on average seen a 3.6% decrease in unemployment from 2013 to 2017. Manufacturing continues to be a top industry within the District, with production occupations as the leading occupation⁵.

Property values within the District increased over 3.6% in 2018. This is the fifth consecutive year of increase after four years of declines in property values and is the highest valuation. District administration expects growth to continue into the future years.

State Administration

The Wisconsin 2017-19 biennial state budget maintains the WTCS outcomes-based funding level at 30% of general aid, which recognizes the value of funding stability during ongoing implementation of this important program. Since WTCS proposed – and the Legislature passed – outcomes-based funding three years ago, the state has transitioned through three funding levels and added a 10th criteria for measuring outcomes. With positive results to date, maintaining WTCS outcomes-based funding at the 30% level allows for funding stability while encouraging colleges to sustain their commitments to innovation and improvement. The state budget has also eliminated the taxing of personal property beginning in 2019, this change resulted in a different methodology to be used for exempt computer aid payments and further modifications to the overall revenue calculation for tax levy purposes beginning in FY 2019.

¹ Wisconsin Economic Outlook, September 2019

² Wisconsin Department of Workforce Development, dwd.wisconsin.gov/dwd/news.htm

³ 2019 Business Leaders Outlook, jpmorgan.com/commercial-banking/insights/business-leaders-outlook-2019

⁴ CROWE Policy Brief, January 2019

⁵ Environmental Scan 2018/2019 Moraine Park Technical College

Strategic Planning

In 2013-14 the District created a new vision, mission and strategic priorities for 2015-2020. Known as Innovation 2020, the plan was generated from the input of District staff, faculty and students and serves as the general framework within which the District operates and plans for the future. This plan is an integral part of the fiscal planning as highlighted below. District reserves remain at approximately 25% of expenditures and are within the board recommended guideline of 25%. In 2018-19 the District undertook the process for developing the next strategic plan which will be known as Innovation 2025.

Fiscal Planning

Despite the financial restrictions imposed by the State, MPTC maintains a favorable credit rating. In June 2019, Moody's Investors Service assigned an Aaa rating to the District for a general obligation debt sale. The report indicated that "the Aaa rating reflects the District's large and diverse tax base, above average wealth and income indicators, strong financial position, low debt burden and manageable pension liabilities. The rating also considers the district's limited revenue raising flexibility and declining enrollment trend that is counter-cyclical to the strong economy".

To address these fiscal challenges, MPTC continually uses the following tools to assist with future directional planning of the District:

- An extensive strategic plan which includes goals and measurable outcomes. All systems utilize this plan to create system-wide and departmental plans which are directly linked to these District goals.
- Annual follow-up studies including graduate placements, employer satisfaction reports, and environmental scanning instruments are used to monitor changes in the labor markets, demographics, technology and academia.
- The District utilizes numerous sources for identifying new program needs. These include the district employment projections data, business and advisory committee input, and peer institution data.
- Academic staff utilize several program assessment tools to measure various aspects of program viability include full time equivalents (FTEs), enrollment, student placement statistics, student persistence and status of assessment measures. Programs not meeting certain measures are suspended and may be terminated in the future.
- The District developed a Facility Master plan in 2006 which is updated annually to create a logical plan for facility building and maintenance projects.
- The Wisconsin Technical College System office requires a three-year facilities plan on an annual basis. This document is updated annually after the master facility plan is reviewed and updated.

These challenges in mind, the long-term financial planning established by the District in conjunction with the District Board will allow Moraine Park to effectively meet the financial needs of operations in the future. The overall current financial position is positive, and MPTC is committed to maintaining a positive status in the future.

MANAGEMENT SYSTEMS AND CONTROLS

Moraine Park Technical College is committed to the development of good management systems and controls. Every effort is made to employ qualified personnel. Likewise, systems are conscientiously developed to enable MPTC employees to function effectively, while providing appropriate levels of supervision and segregation of duties.

Accounting System

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse, and to ensure the reliability of financial and accounting records to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

In addition, as a recipient of state and federal financial assistance, the District is responsible for maintaining an adequate internal control structure to ensure compliance with applicable laws and regulations related to those programs.

We believe the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary System

The District's annual budget is prepared in accordance with the requirements of the Wisconsin Technical College System Board. Budgetary responsibility is delegated to the managers of various cost centers of MPTC. Each year staff prepare, present and modify budget plans for the forthcoming year.

At the time the District Board adopts the budget, it establishes the dollar amount of the operational tax levy, not the final mill rate, since valuation figures are not available until October. In addition, the Board may adjust the levy amounts prior to setting the tax rates in October based on more current information. Budgeted amounts are controlled by function within fund; modification or changes to the budget require approval by a two-thirds vote of the District Board. The District also maintains an encumbrance system as one technique of accomplishing budgetary control.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

Cash Management

The District Board adopted an overall investment policy delegating investment responsibility to the Vice President – Finance and Administration. The policy permits investments in any instruments allowed within the Wisconsin Administrative Code.

The District has a handling procedure to ensure all employees who handle cash follow specified procedures to safeguard cash and to protect employees from inappropriate charges of mishandling funds by defining employee responsibilities. All employees who handle cash are required to annually acknowledge and confirm the understanding and compliance with this procedure. This procedure is expected to increase internal controls related to all aspects of cash management.

Risk Management

Since July 2004, the District maintains a comprehensive risk management program through Districts Mutual Insurance Company (DMI). DMI is an insurance company jointly created by all sixteen Wisconsin technical colleges. Through DMI, risk management services include an insurance program for property, cyber risk, casualty, and liability, an active safety committee, risk control services, risk management training and specialized services in the District's risk management efforts. In addition, the District also maintains a self-insurance fund which is used to cover the deductible on liability coverage and on small claims for lost or stolen items that fall below the deductible limits.

Independent Audit

State statutes require an annual audit by independent certified public accountants, in addition to meeting the requirements of the Federal Uniform Guidance and the State Single Audit Guidelines. The accounting firm of CLA (CliftonLarsonAllen LLP) was selected by the District Board to perform the annual audit. The audit report on the basic financial statements is included in the financial section of this report. The auditors' reports that relate specifically to the single audit are included in the single audit section.

EXCELLENCE IN FINANCIAL REPORTING

The District will submit this Comprehensive Annual Financial Report to the Government Finance Officers Association (GFOA) for the Certificate of Achievement for Excellence in Financial Reporting. To be awarded this honor, the financial reporting entity must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. This report satisfies both the generally accepted accounting principles and applicable legal requirements.

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to Moraine Park Technical College District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports. A Certificate of Achievement is valid for a period of one year only. This is the 25TH consecutive year that Moraine Park Technical College District has received a Certificate of Achievement. We believe our current report continues to conform to the program's requirements, and we are submitting it to GFOA to determine its eligibility for a certificate.

ACKNOWLEDGMENT

The timely preparation of this report was accomplished through the cooperative and concerted efforts of MPTC's Financial Services, Institutional Research, and Marketing departments and with the professional services of the District's independent audit firm, CLA. We express our appreciation to our dedicated staff for their many long hours in the preparation of this report. In addition, we convey our appreciation to the MPTC Board of Directors for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,



Bonnie Baerwald, CPA
President



Carrie Kasubaski, CPA
Vice President, Finance and Administration



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Moraine Park Technical College District
Wisconsin

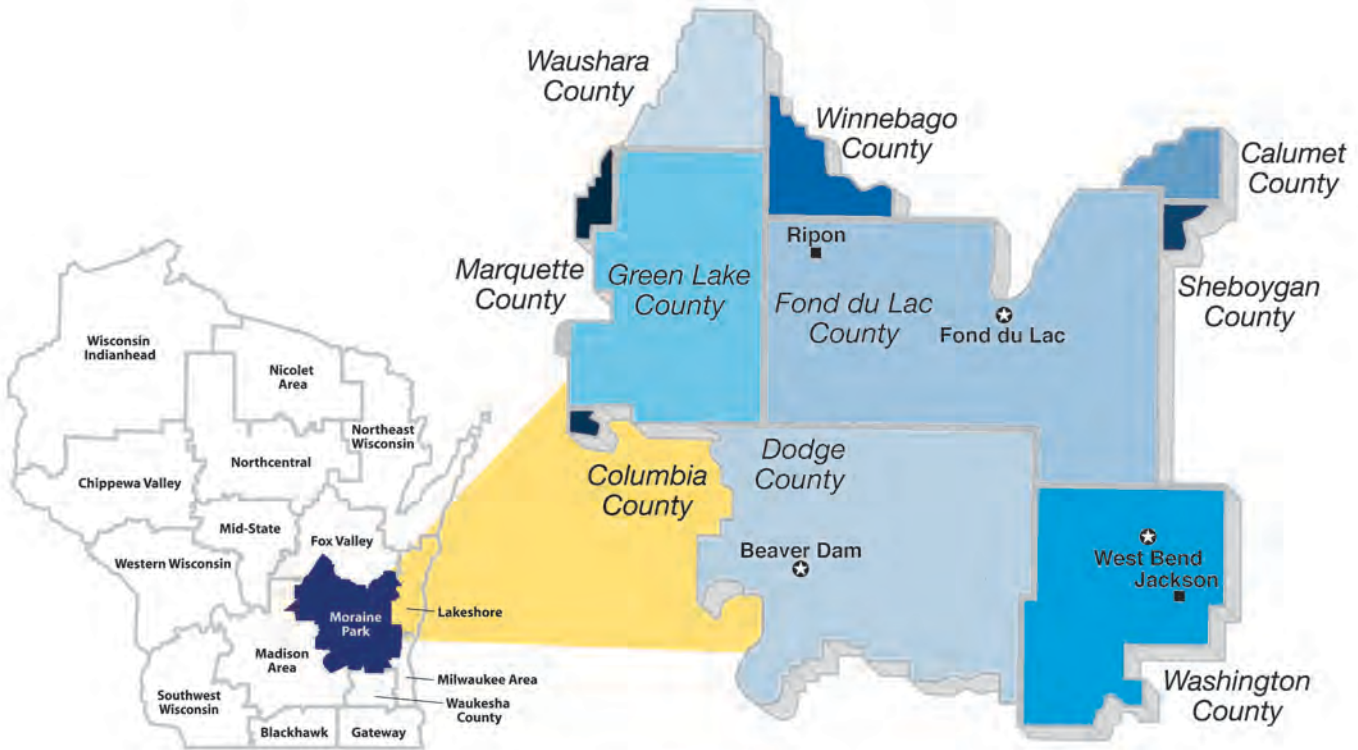
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

Moraine Park Technical College District



- ★ Moraine Park Campuses
- Moraine Park Regional Centers

Moraine Park Technical College

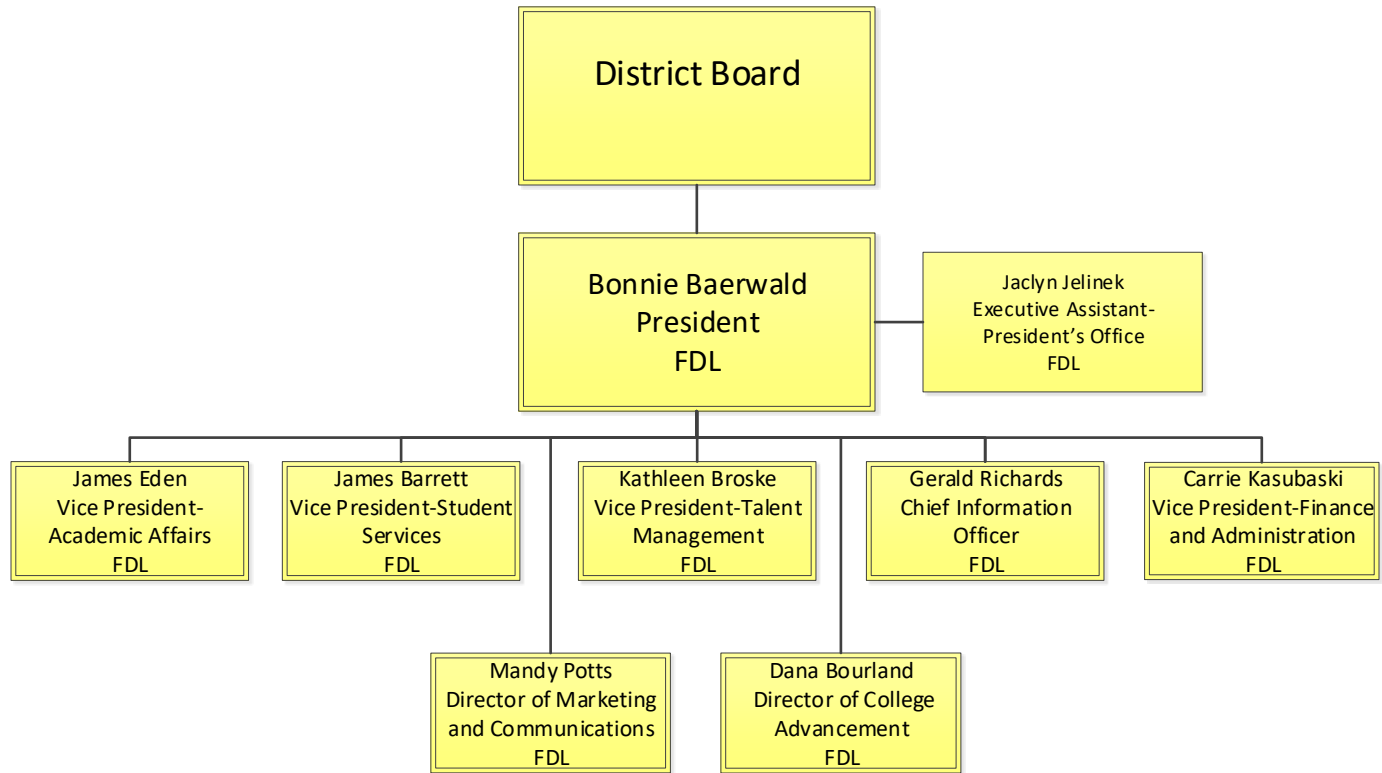
Board Membership For the Year Ended June 30, 2019

Officers	Name	Membership Type ^(a)	Geographical Area Representation
Chairperson	Mike Staral	Employer Member	West Bend
Vice Chairperson	Bur Zeratsky	Employer Member	Green Lake
Secretary	Lowell Prill	Additional Member	Brandon
Treasurer	Bob Lloyd	School District Administrator	Lomira
Member	Candy Fields	Employee Member	Mt. Calvary
Member	Vernon Jung, Jr.	Additional Member	Kewaskum
Member	Renee Almeida	Employee Member	Beaver Dam
Member	Cindy Laubenstein	Additional Member	Fond du Lac
Member	Mike Schwab	Elected Official	Jackson

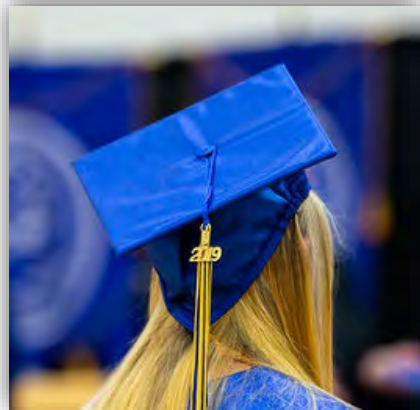
Notes

(a) The MPTC Board is composed of nine (9) members, all of whom are District residents. The membership consists of two (2) employers who have power to employ or discharge, two (2) employees who do not have power to employ or discharge, three (3) additional members, one (1) public school administrator from a school system in the District and one (1) elected official. Board members are appointed by an Appointment Committee consisting of the county board chairpersons of the ten (10) counties in the District. Members of the Board serve three-year terms. Regular meetings of the Board are held on the third Wednesday of each month and, by State Statute, are open to the public. Periodic meetings are scheduled at other times, if necessary, to conduct business on timely issues. Board members receive no compensation for their services but are reimbursed for actual and necessary expenses in the performance of their duties.

President's Unit



FINANCIAL SECTION





Independent auditors' report

To the District Board
Moraine Park Technical College
Fond du Lac, Wisconsin

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Moraine Park Technical College District, Fond du Lac, Wisconsin (the "District") as of and for the years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Moraine Park Technical District Foundation, Inc., a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the District's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2019 and 2018, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 21 through 36 and the schedules relating to pensions and other postemployment benefits on pages 84 through 86 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The financial information listed in the table of contents as supplementary information and the other information, such as the introductory and statistical sections, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and the schedule of expenditures of state awards are presented for purposes of additional analysis, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, and are also not a required part of the basic financial statements.

The supplementary information and the schedules of expenditures of federal and state awards are 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the procedures performed as described above, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Prior Year Financial Information

The 2018 financial statements were audited by Schenck SC, whose practice became part of CliftonLarsonAllen LLP as of January 1, 2019, and whose report dated December 4, 2018, expressed an unmodified opinion on those financial statements.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2019, 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

Sheboygan, Wisconsin
December 6, 2019

Moraine Park Technical College

Management Discussion and Analysis

Moraine Park Technical College District's Management's Discussion and Analysis (MD&A) of its financial condition provides an overview of financial activity, identifies changes in financial positions, and assists the reader of the financial statements in focusing on noteworthy financial issues.

While maintaining its financial health is crucial to the long-term viability of the District, the primary mission of a public institution of higher education is to provide education and training. Therefore, net position is accumulated only as required to ensure that there are sufficient reserve funds for future operations and implementation of new programs. The MD&A provides summary level financial information; therefore, it should be read in conjunction with the accompanying financial statements.

This annual report consists of a series of financial statements, prepared in accordance with generally accepted accounting principles, as stated in the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, and Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements include the following: 1) statement of net position, 2) statement of revenues, expenses, and changes in net position, 3) statement of cash flows and 4) notes to the financial statements. The District's annual financial report also contains other supplementary information in addition to the basic financial statements themselves to detail fund financial information and the District's compliance with its approved budget.

Statement of Net Position

The Statement of Net Position includes all assets (items that the District owns and amounts owed to the District by others), deferred outflows (inflows) of resources and liabilities (amounts owed to others by the District and what has been collected from others for which a service has not yet been performed). 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 to the District – regardless of when cash is exchanged.

Moraine Park Technical College

Management Discussion and Analysis

The following is a condensed version of the Statement of Net Position as of June 30, 2019, 2018, and 2017 (dollars in thousands).

	2019	2018	Increase/(Decrease)		2017	Increase/(Decrease)	
			\$	%		\$	%
			2019-2018			2018-2017	
Assets							
Cash and investments	\$ 26,447	\$ 28,010	\$ (1,563)	-5.6%	\$ 28,541	\$ (531)	-1.9%
Net capital assets	57,577	53,556	4,021	7.5%	50,486	3,070	6.1%
Other assets	12,076	13,789	(1,713)	-12.4%	9,349	4,440	47.5%
Total assets	96,100	95,355	745	0.8%	88,376	6,979	7.9%
Deferred Outflows of Resources	16,303	8,935	7,368	82.5%	10,569	(1,634)	-15.5%
Total Assets and Deferred Outflows of Resources	\$ 112,403	\$ 104,290	\$ 8,113	7.8%	\$ 98,945	\$ 5,345	5.4%
Liabilities							
Current Liabilities	10,412	10,861	(449)	-4.1%	9,334	1,527	16.4%
Noncurrent liabilities	26,254	18,398	7,856	42.7%	21,182	(2,784)	-15.1%
Total liabilities	36,666	29,259	7,407	25.3%	30,516	(1,257)	-4.1%
Deferred Inflows of Resources	10,100	10,728	(628)	-5.9%	4,686	6,042	0.0%
Net position							
Net investment in capital assets	36,996	33,901	3,095	9.1%	29,494	4,407	14.9%
Restricted	2,536	6,356	(3,820)	-60.1%	909	5,447	599.2%
Unrestricted	26,105	24,046	2,059	8.6%	33,340	(9,294)	-27.9%
Total net position	65,637	64,303	1,334	2.1%	63,743	560	0.9%
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 112,403	\$ 104,290	\$ 8,113	7.8%	\$ 98,945	\$ 5,345	5.4%

Moraine Park Technical College

Management Discussion and Analysis

Fiscal Year 2019 Compared to 2018

Details of the changes in assets, deferred outflows/inflows of resources, liabilities, and net position between 2019 and 2018 include the following:

- Assets increased approximately \$745,000, or 0.8%, during 2019.
 - Cash and investments (including restricted cash) decreased \$1.6 million or 5.6% as a result of the factors discussed in the Statement of Cash Flows below.
 - Net capital assets increased over \$4.0 million, or 7.5% as a result of net 2019 asset additions exceeding depreciation for the year.
 - The other assets category is largely made up of receivable balances as of June 30, 2019, the largest of these being property taxes at \$4.2 million and student fees at \$2.1 million, which remained consistent with 2018.
 - In 2018 there is a noncurrent asset, included as part of other assets, for net pension assets related to the Wisconsin Retirement System, this results in a decrease of \$5.3 million. Pensions are discussed further in Note E.
 - In 2019 a deferred outflows of resources of \$16.3 million was reported as a result of GASB 68 and 71 pension regulation, this is an increase of \$7.4 million from the previous year.
- Liabilities increased by \$7.4 million, or 25.3% from 2018 to 2019.
 - Current liabilities decreased by \$450,000, or 4.1% from prior year. This is a result of a combination of decreases and increases.
 - Non-current liabilities increased by \$7.9 million, or 42.7%. This is a result of GASB 68 and 71 pension regulation. Pensions are discussed further in Note E.
 - In 2019 a deferred inflows of resources of \$10.1 million was recorded as a result of GASB 68 and 71 pension regulation, this is a decrease of \$628,000 from the previous year. Pensions are discussed further in Note E.

Moraine Park Technical College

Management Discussion and Analysis

- Net position increased \$1.3 million, or 2% from 2018 to 2019.
 - Net investment in capital assets increased \$3.1 million, or 9.1% due to the increase in capital assets and repayment of general obligation notes payable used to finance capital acquisitions.
 - Unrestricted net position increased by \$2.1 million, or 8.6% from the prior year reflecting the proportionate share net pension liability (assets) of GASB Statements No. 68 and 71 pension regulation.

Fiscal Year 2018 Compared to 2017

Details of the changes in assets, deferred outflows/inflows of resources, liabilities, and net position between 2018 and 2017 include the following:

- Assets increased approximately \$7.0 million, or 7.9%, during 2018.
 - Cash and investments (including restricted cash) decreased \$530,000, or 1.9% as a result of the factors discussed in the Statement of Cash Flows below.
 - Net capital assets increased almost \$3.1 million, or 6.1% as a result of net 2018 asset additions exceeding depreciation for the year.
 - The other assets category is largely made up of receivable balances as of June 30, 2018, the largest of these being property taxes at \$4.1 million and student fees at \$1.5 million, which remained consistent with 2017.
 - In 2018 there is a noncurrent asset, included as part of other assets, for net pension assets related to the Wisconsin Retirement System, this results in an increase of \$5.3 million. Pensions are discussed further in Note E.
 - In 2018 a deferred outflows of resources of \$8.9 million was reported as a result of GASB 68 and 71 pension regulation, this is a decrease of \$1.6 million from the previous year.
- Liabilities decreased by \$1.3 million, or 4.1% from 2017 to 2018.
 - Current liabilities increased by \$1.5 million, or 16.4% from prior year. This is a result of a combination of decreases and increases. A significant increase of \$870,000 in accrued payroll was due to the timing of pay periods at year end.
 - Non-current liabilities decreased by \$2.8 million, or 13.1%. This is a result of GASB 68 and 71 pension regulation. Pensions are discussed further in Note E.

Moraine Park Technical College

Management Discussion and Analysis

- In 2018 a deferred inflows of resources of \$10.7 million was recorded as a result of GASB 68 and 71 pension regulation, this is an increase of \$6.0 million from the previous year. Pensions are discussed further in Note E.
- Net position increased \$560,000, or 0.9% from 2017 to 2018.
 - Net investment in capital assets increased \$4.4 million, or 14.9% due to the increase in capital assets and repayment of general obligation notes payable used to finance capital acquisitions.
 - Unrestricted net position decreased by \$9.2 million, or 27.9% from the prior year reflecting the proportionate share net pension liability (assets) of GASB Statement No. 68 Account and Financial Reporting for Pensions.

Statement of Revenues, Expenses, and Changes in Net Position

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 non-operating. In general, a public college such as Moraine Park Technical College will report an operating deficit or loss, as the financial reporting model classifies state appropriations and property taxes as non-operating revenues. 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.

Moraine Park Technical College

Management Discussion and Analysis

The following is a condensed version of the Statement of Revenues, Expenses, and Changes in Net Position for the years ended June 30, 2019, 2018, and 2017 (dollars in thousands):

	2019	2018	Increase / (Decrease)		2017	Increase / (Decrease)	
			\$	%		\$	%
			2019 - 2018			2018 - 2017	
Operating Revenues							
Tuition & fees	\$ 4,818	\$ 4,614	\$ 204	4.4%	\$ 4,492	\$ 122	2.7%
Federal and state grants	10,784	11,398	(614)	-5.4%	11,964	(566)	-4.7%
Contract revenues	3,488	3,235	253	7.8%	3,635	(400)	-11.0%
Auxiliary enterprise revenues	209	203	6	3.0%	180	23	12.8%
Miscellaneous	718	623	95	15.2%	981	(358)	-36.5%
Operating revenues	20,017	20,073	(56)	-0.3%	21,252	(1,179)	-5.5%
Non-operating Revenues							
Property taxes	16,947	16,747	200	1.2%	16,248	499	3.1%
State operating appropriations	24,621	24,505	116	0.5%	24,963	(458)	-1.8%
Investment income	899	296	603	203.7%	248	48	19.4%
Non-operating revenues	42,467	41,548	919	2.2%	41,459	89	0.2%
Capital Contributions							
Federal, state, and other capital grants	166	545	(379)	-69.5%	50	495	990.0%
Total Revenues	\$ 62,650	\$ 62,166	\$ 484	0.8%	\$ 62,761	\$ (595)	-0.9%
Operating Expenses							
Instruction	\$ 27,017	\$ 25,559	\$ 1,458	5.7%	\$ 26,822	\$ (1,263)	-4.7%
Instructional resources	2,243	2,418	(175)	-7.2%	2,265	153	6.8%
Student services	8,116	7,615	501	6.6%	7,413	202	2.7%
General institutional	10,734	11,444	(710)	-6.2%	12,058	(614)	-5.1%
Physical plant	4,109	5,088	(979)	-19.2%	4,999	89	1.8%
Auxiliary enterprise services	350	439	(89)	-20.3%	311	128	41.2%
Depreciation	3,206	3,095	111	3.6%	3,008	87	2.9%
Student aid	4,715	5,351	(636)	-11.9%	5,863	(512)	-8.7%
Operating expense	60,490	61,009	(519)	-0.9%	62,739	(1,730)	-2.8%
Non-operating Expenses							
Loss on disposal of capital assets	313	78	235	301.3%	173	(95)	-54.9%
Interest expense	513	519	(6)	-1.2%	483	36	7.5%
Non-operating Expenses:	826	597	229	38.4%	656	(59)	-9.0%
Total Expenses	61,316	61,606	(290)	-0.5%	63,395	(1,789)	-2.8%
Change in net position	1,334	560	774	138.2%	(634)	1,194	-188.3%
Net Position							
Beginning of year	64,303	63,743			64,377		
End of year	\$ 65,637	\$ 64,303			\$ 63,743		

Moraine Park Technical College

Management Discussion and Analysis

Fiscal Year 2019 Compared to 2018

Operating revenues are the charges for services offered by the District. During 2019, Moraine Park generated \$20.0 million of operating revenues. This was a decrease of \$56,000, or 0.3% compared to the prior year. Significant items were as follows:

- The federal and state grants revenue decreased by \$614,000, or 5.4% from last year. The majority of this was due to a decrease in Pell grants for student aid.
- The contracts revenue increased by \$253,000, or 7.8% from last year.

Operating expenses are costs related to offering the programs of the District. During 2019, operating expenses decreased over \$519,000, or approximately 0.9% from the prior year. The decrease was primarily due to a combination of the following:

- Fringe benefits increased by about \$2.7 million or 25.7% from last year. The increase was due to the one time consortium reserve payments made in the year of \$500,000 and an overall increase in all the benefit rates from prior year.
- Student aid expense decreased by \$636,000, or 11.9% from last year. The decrease is directly related to the decrease in federal and state grants revenue.
- Other contracted services decreased by about \$1.8 million or 22.8% from last year. The majority of this is due to the implementation of the new ERP system which costs are being capitalized and not expensed.
- Supplies, printing, and minor equipment decreased by \$731,000 or 31.7% and rentals, repairs, and maintenance also decreased by \$435,000 or 46.2% from last year. These categories contributed to the overall decrease.

Non-operating revenues and expenses are items not directly related to providing instruction. The most significant components of non-operating revenues and expenses include the following:

- Non-operating expenses are primarily a function of disposal activity of capital assets and interest paid on the District's long-term debt. During 2019 there was an increase in the amount of major equipment disposals that were not fully depreciated resulting in an increase in the loss on sale of capital assets. Interest expense decreased due in part to a slight increase in interest rates in the more recent long-term debt issues.

Overall the net position increased by \$1.3 million, or 2.1% as a result of the above activity.

Moraine Park Technical College

Management Discussion and Analysis

Fiscal Year 2018 Compared to 2017

Operating revenues are the charges for services offered by the District. During 2018, Moraine Park generated \$20.1 million of operating revenues. This was a decrease of \$1.2 million, or 5.5% compared to the prior year. Significant items were as follows:

- The federal and state grants revenue decreased by \$566,000, or 4.7% from last year. The majority of this was due to a decrease in Pell grants for student aid.
- The contracts revenue decreased by \$400,000, or 11.0% from last year. The majority of this was due to a decrease in the contracts with Department of Corrections and Career Prep with the area public high schools.

Operating expenses are costs related to offering the programs of the District. During 2018, operating expenses decreased over \$1.7 million, or approximately 2.8% from the prior year. The decrease was primarily due to a combination of the following:

- Fringe benefits decreased by about \$830,000 or 8.0% from last year. The majority of this was due to the one time consortium reserve payments made in the prior year of \$956,000.
- Student aid expense decreased by \$512,000, or 8.7% from last year. The decrease is directly related to the decrease in federal and state grants revenue.
- Other contracted services decreased by about \$875,000 or 37.6% from last year. The majority of this is due to the implementation of the new ERP system which costs are being capitalized and not expensed.

Non-operating revenues and expenses are items not directly related to providing instruction. The most significant components of non-operating revenues and expenses include the following:

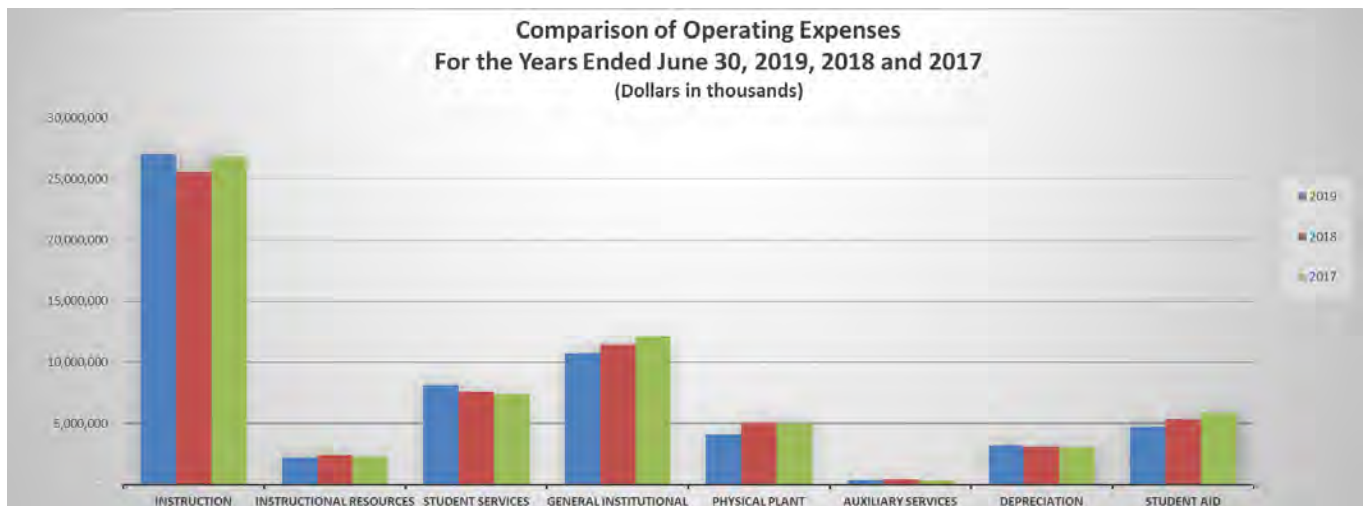
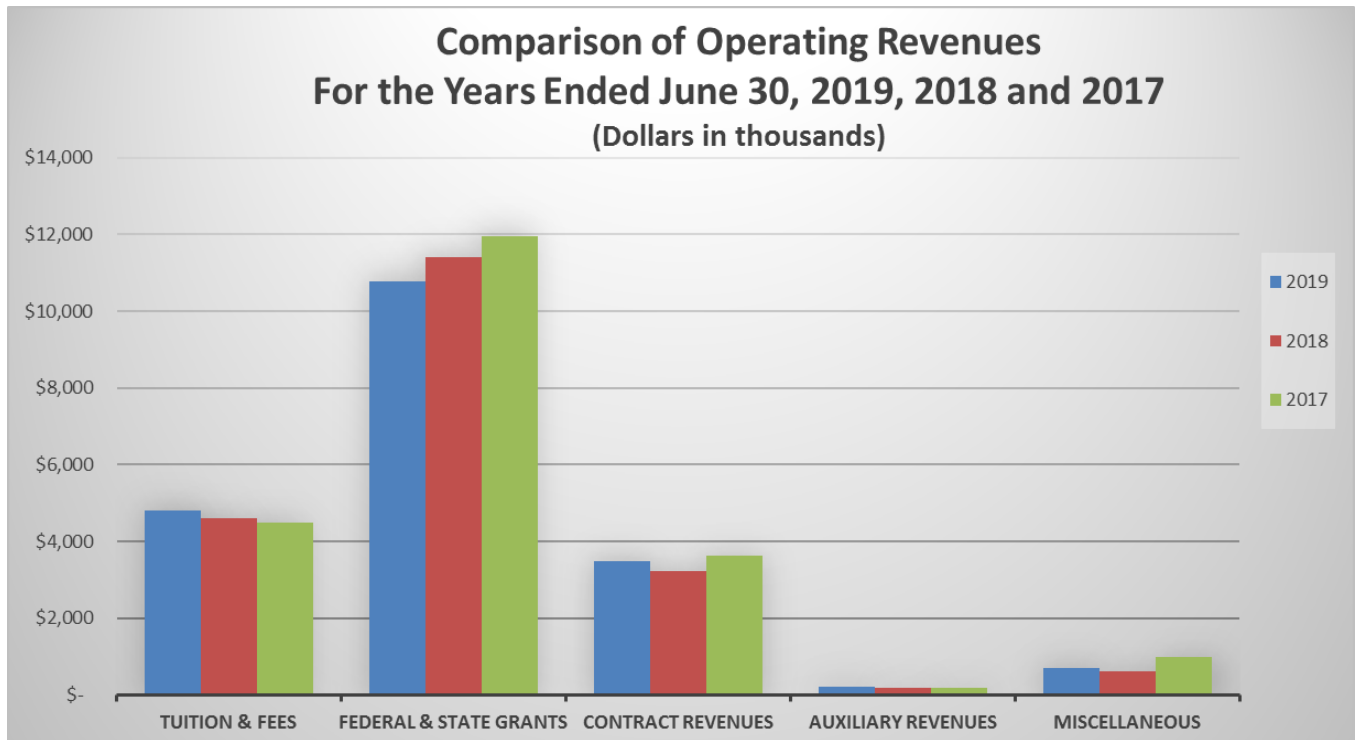
- Non-operating expenses are primarily a function of disposal activity of capital assets and interest paid on the District's long-term debt. During 2018 there was a decrease in the amount of major equipment disposals that were not fully depreciated resulting in a decrease in the loss on sale of capital assets. Interest expense increased due in part to a slight increase in interest rates in the more recent long-term debt issues.

Overall the net position increased by \$560,000, or 0.9% as a result of the above activity.

Moraine Park Technical College

Management Discussion and Analysis

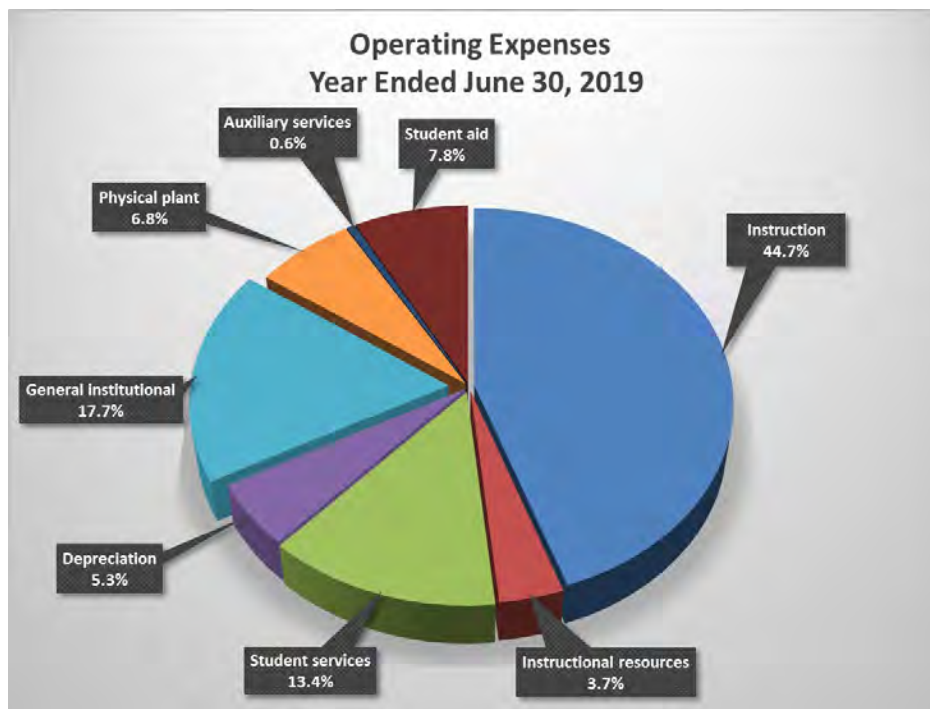
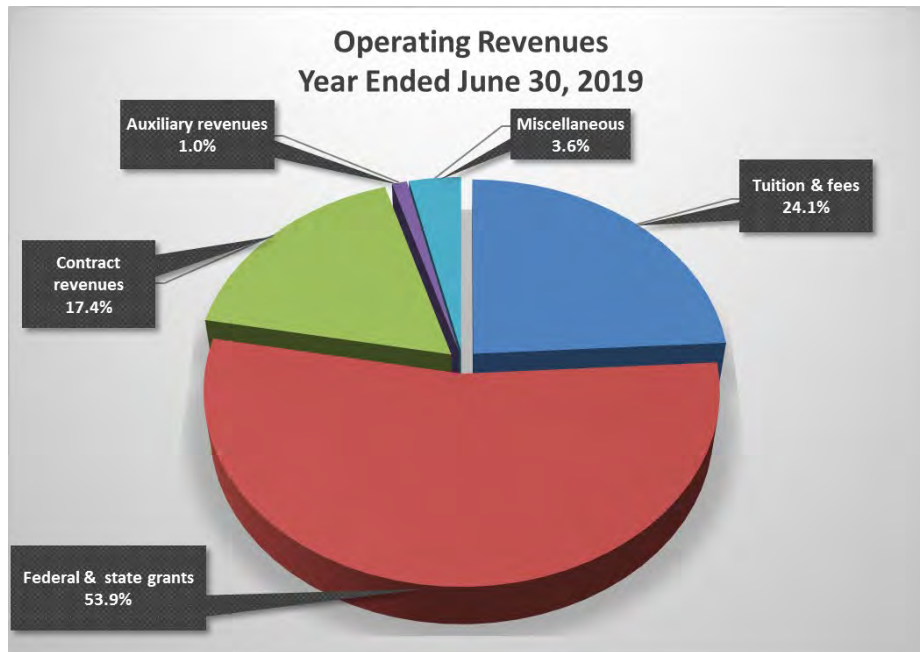
Below is a graphical illustration comparing operating revenues by type and expenses by function for the fiscal years ended June 30, 2019, 2018 and 2017:



Moraine Park Technical College

Management Discussion and Analysis

Below is a graphical illustration of total operating revenues and expenses for the fiscal year ended June 30, 2019:



Moraine Park Technical College

Management Discussion and Analysis

Statement of Cash Flows

The Statement of Cash Flows presents information related to cash inflows and outflows summarized by operating, capital, financing, and investing activities. This statement is important in evaluating the District's ability to meet financial obligations as they mature.

The following schedule shows the major components of the Statement of Cash Flows for the years ended June 30, 2019, 2018, and 2017.

	2019	2018	Increase / (Decrease)		2017	Increase / (Decrease)	
			\$	%		\$	%
			2019-2018			2018-2017	
Cash used in operating activities	\$ (35,709)	\$(35,579)	\$ (130)	0.4%	\$(39,304)	\$ 3,725	-9.5%
Cash provided by non-capital financing activities	41,405	41,260	145	0.4%	41,377	(117)	-0.3%
Cash used in capital and related financing activities	(8,159)	(6,508)	(1,651)	25.4%	(3,413)	(3,095)	90.7%
Cash provided by investing activities	900	296	604	204.1%	248	48	19.4%
Net increase (decrease) in cash and cash equivalents	(1,563)	(531)	(1,032)	194.4%	(1,092)	561	-51.4%
Cash and cash equivalents - Beginning of year	28,010	28,541			29,633		
Cash and cash equivalents - End of year	\$ 26,447	\$ 28,010			\$ 28,541		

Fiscal Year 2019 Compared to 2018

During the fiscal year ended June 30, 2019, the District had a net decrease in cash and cash equivalents of approximately \$1.6 million, or 5.6%. Factors contributing to the decrease included the following:

- As in previous years, the largest component of cash used in operating activities was payments to employees for salaries/wages and benefits. Overall payments in this category remained relatively consistent, with an increase of 4.6% from the previous year.
- The cash used in capital and related financing activities is primarily made up of two categories of cash flows: purchases of capital assets and debt activity (debt proceeds and principal and interest payments). Capital purchases increased from prior year. Proceeds from issuance of debt increased and principal payments on debt increased from the prior year. Further information is provided in Note D. The combined effect of these changes resulted in an overall net increase in the category of cash used in capital and related financing activities as compared to 2018.

Overall, the District had a net decrease in cash and cash equivalents of approximately \$1.6 million.

Moraine Park Technical College

Management Discussion and Analysis

Fiscal Year 2018 Compared to 2017

During the fiscal year ended June 30, 2018, the District had a net decrease in cash and cash equivalents of approximately \$530,000, or 1.9%. Factors contributing to the decrease included the following:

- As in previous years, the largest component of cash used in operating activities was payments to employees for salaries/wages and benefits. Overall payments in this category remained relatively consistent, with a decrease of 5.3% from the previous year.
- The cash used in capital and related financing activities is primarily made up of two categories of cash flows: purchases of capital assets and debt activity (debt proceeds and principal and interest payments). Capital purchases increased from prior year. Proceeds from issuance of debt decreased and principal payments on debt decreased from the prior year. Further information is provided in Note D. The combined effect of these changes resulted in an overall net increase in the category of cash used in capital and related financing activities as compared to 2017.

Overall, the District had a net decrease in cash and cash equivalents of approximately \$530,000.

Capital Assets

The District's investment in capital assets includes land, land improvements, buildings, furniture and equipment, computer software, and construction in progress. The change in capital assets is shown below as of June 30, 2019, 2018 and 2017 (dollars in thousands):

	2019	2018	Increase / (Decrease)		2017	Increase / (Decrease)	
			\$	%		\$	%
			2019 - 2018			2018 - 2017	
Capital assets not being depreciated:							
Land	\$ 839	\$ 839	\$ -	0.0%	\$ 839	\$ -	0.0%
Construction in progress	3,219	1,627	1,592	100.0%	292	1,335	457.2%
Total capital assets not being depreciated	4,058	2,466	1,592	64.6%	1,131	1,335	118.0%
Capital assets being depreciated, net:							
Land improvements	1,096	937	159	17.0%	919	18	2.0%
Buildings and building improvements	45,317	43,049	2,268	5.3%	41,369	1,680	4.1%
Furniture and equipment	7,106	7,104	2	0.0%	7,067	37	0.5%
Total capital assets being depreciated, net	53,519	51,090	2,429	4.8%	49,355	1,735	3.5%
Net capital assets	\$ 57,577	\$ 53,556	\$ 4,021	7.5%	\$ 50,486	3,070	6.1%

Additional information on the District's capital assets can be found in Note C.

Moraine Park Technical College

Management Discussion and Analysis

Debt Administration

At the end of the current fiscal year, the District had total general obligation debt outstanding of \$24.4 million which is backed by the full faith and credit of the District (dollars in thousands).

The District's total general obligation debt outstanding as of June 30, 2019, 2018 and 2017 respectively is as follows:

	2019	2018	Increase / (Decrease)		2017	Increase / (Decrease)	
			\$	%		\$	%
			2019-2018			2018-2017	
General obligation notes	\$ 24,245	\$ 23,320	\$ 925	4.0%	\$ 23,880	\$ (560)	-2.3%
Debt premiums	201	74	127	171.6%	-	74	100.0%
Long-term obligations	<u>\$ 24,446</u>	<u>\$ 23,394</u>	<u>\$ 1,052</u>	<u>4.5%</u>	<u>\$ 23,880</u>	<u>(486)</u>	<u>-2.0%</u>

The District's total debt increased by \$925,000 or 4.0% during the current fiscal year as the District issued \$6.0 million of general obligation debt to finance capital asset additions while retiring \$5.1 million through property taxes levied for debt service.

The District's notes continue to maintain a Moody's Investors Service Aaa rating and the average life of debt ranges from five to ten years. All general obligation debt for equipment is repaid in five years, while debt related to building and remodeling is repaid in 10 years. Additional information on the District's long-term debt can be found in Note D.

Financial Position

The District does not anticipate having to obtain short-term borrowing for cash flow purposes, which is consistent with previous years. The District also has diversified sources of revenues consisting of property taxes, state aid, student fees, federal and state grants, and other sources to meet the expenses of the District. With a diversity of revenues and a favorable location near major employment centers, Moraine Park will continue to obtain the resources to adequately finance normal enrollment over the next decade.

Overall, the District is confident that its long-term financial condition is stable. Operational reserves are strong and for 2018-19 represent over 28% of operational expenses on a budgetary basis. Finally, the debt burden is reasonable and is structured to be paid back in a relatively short, aggressive timeframe. The District is positioned to maintain a positive financial structure in the foreseeable future.

Moraine Park Technical College

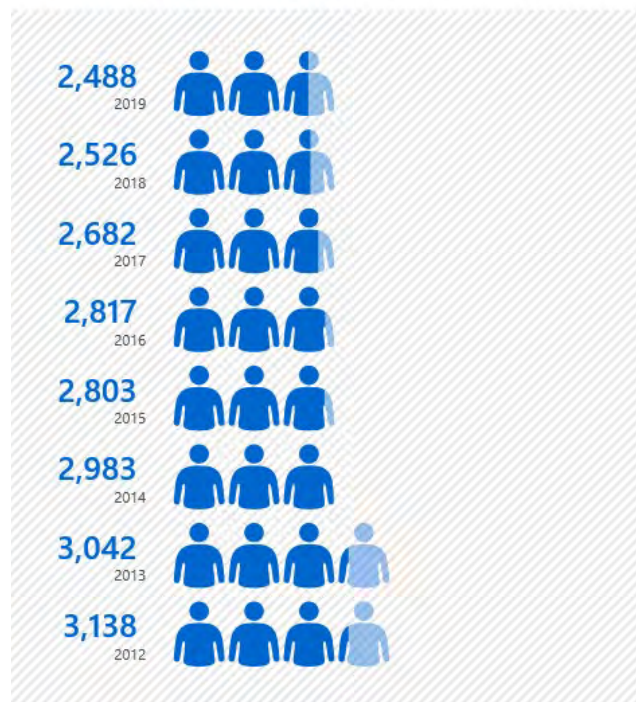
Management Discussion and Analysis

Economic Factors

The District is now more reliant on the tuition revenue generated by enrollments than ever before. Enrollments can fluctuate significantly based on the economy. While the District experienced a 12.8% enrollment spike in fiscal year 2010 associated with the broader national economic downturn, enrollment trends have since fallen. Enrollment began declining in fiscal 2011 by 3.3%, with the largest decline occurring in fiscal year 2012 of 11%. Since 2012, enrollments continued to decline until fiscal year 2016 where we saw a .5% increase to 2,817 full-time equivalent students (FTEs). In 2018 and 2019 enrollments decreased once again by 5.8% to 2,526 and by 1.5% to 2,488, respectively. Officials are working on action plans to increase retention and enrollment growth beyond fiscal year 2019.

Below is a graphical presentation of the annual FTEs since 2012:

Full-time equivalent Students



In addition to decreases in enrollment, there are some other challenges and critical concerns that the District has identified:

- Slow growth in the number of high school graduates throughout the District will mean significant competition for these students as it relates to post-secondary education.

Moraine Park Technical College

Management Discussion and Analysis

- Today's students are ill-prepared for the modern world of work. Many possess a strong tech savvy background, but lack the basic human "soft skills" needed to function in a global workforce. As such, the District consistently needs to train students on "soft skills" throughout their academic curricula.
- Unfunded or partially-reimbursed mandates related to remedial services, veteran remissions, course options, and senior discounts will continue to erode District resources as these services are growing exponentially.
- The mandate for other post-employment benefits reporting and new GASB disclosures on pension plans will prompt additional financial planning and funding to offset the long-term financial impact.
- Health insurance costs in comparison to economic growth will continue to rise. These increases will force changes to benefit packages creating more competition for new hires.
- Continuing efforts to introduce sustainability components to all building projects and services at the District will increase up-front costs. Although return on investment is substantiated, resources for the initial investment may be significant.
- Investment revenue has increased due to strong performances on the investment portfolio, while interest rates have declined over the past year, and has allowed opportunity for an alternative revenue stream.
- The impact of technology and resulting productivity of employers in the market require continuous improvement of the District's existing infrastructure and programs including the development of new programs in response to evolving occupations and advancing technology.
- The need to remain current with expanding technology is great. Technology-related expenses to include mobile technology applications are a key requirement in providing a competitive, top-notch education.

Despite these challenges, the staff members continually work to improve the financial condition of the District by working on existing and new opportunities as indicated below:

- Expand articulation agreements, college pathways, and joint efforts with college members of the UW System and private colleges to provide seamless transition for students as they continue to pursue advanced degrees.
- District administrators are meeting with state/local officials and business leaders to educate all on the impact the WTCS has on workforce training and the worker shortage many local businesses are experiencing.

Moraine Park Technical College

Management Discussion and Analysis

- The District continues efforts to increase dual credit offerings to high school students within the District; these offerings allow high school students the opportunity to earn both high school and college credit through these efforts - thereby saving taxpayer dollars.
- The District is also a leader in business and industry training. Efforts continue to meet with local officials and business leaders to not only provide customized training, but also to create strategic partnerships by competing for and receiving Wisconsin Advanced Training and other grants offered by the State of Wisconsin.
- Staff members constantly review programs and services in order to meet the demands of the District and the State's workforce demands. Strong emphasis is placed on the retention efforts, recruitment of high school students and assessing the success of each student.
- Moraine Park's primary counties have significantly higher numbers of residents age 24 and older with an educational attainment of high school or equivalent. Clearly, the District has opportunities to grow the educational attainment level in the District's adult market.
- Joining statewide efforts within the Wisconsin Technical College System to save resources as demonstrated by the following:
 - State purchasing consortium group – efforts have generated more than \$361,000 in savings alone for the District during 2018-19.
 - Districts Mutual Insurance Company – an insurance company created by the sixteen technical colleges in Wisconsin to provide all services related to full risk management services including administration of general liability, property, auto, worker's compensation, and educator's legal liability insurance lines; projected savings since inception in 2004 equates to more than \$14 million
 - Joint library consortium that allows all members to access centralized databases and electronic subscriptions at significantly reduced costs
 - Effective July 1, 2015 the District started collaborating with other technical colleges on a joint insurance consortium to obtain health care and related services with significant discounts through the use of joint purchasing

Contacting the District's Financial Management

The financial report is designed to provide a general overview of the District's finances. Questions concerning the information provided in this report or requests for additional information should be addressed to the Vice President – Finance and Administration, 235 N. National Avenue, Fond du Lac, WI 54935.

Moraine Park Technical College

Statements of Net Position

As of June 30, 2019 and 2018

	2019		2018	
	District	Foundation	District	Foundation
Assets				
<i>Current Assets</i>				
Cash and investments	\$ 14,466,762	\$ 515,273	\$ 13,566,125	\$ 503,636
Accounts receivable	1,411,491	-	479,131	-
Property taxes receivable	4,267,851	-	4,105,036	-
Federal and state aid receivable	987,160	-	552,044	-
Unconditional promises to give	-	295,685	-	450,066
Student fees receivable	2,061,998	-	1,527,424	-
Inventories	55,401	-	56,253	-
Prepaid expenses	1,185,181	-	1,254,861	-
Deposit	513,291	-	445,198	-
Total current assets	24,949,135	810,958	21,986,072	953,702
<i>Non-current Assets</i>				
Restricted cash and investments	11,979,798	2,842,949	14,444,100	2,095,915
Other post-employment benefits	1,594,184	-	-	-
Net pension asset	-	-	5,368,363	-
Capital assets	98,492,958	-	92,779,265	-
Less accumulated depreciation	(40,915,913)	-	(39,223,036)	-
Total non-current assets	71,151,027	2,842,949	73,368,692	2,095,915
Total Assets	96,100,162	3,653,907	95,354,764	3,049,617
Deferred Outflows of Resources				
Deferred outflows related to pension	16,302,770	-	8,935,048	-
Total Assets and Deferred Outflows of Resources	\$ 112,402,932	\$ 3,653,907	\$ 104,289,812	\$ 3,049,617
Liabilities				
<i>Current Liabilities</i>				
Accounts payable	\$ 1,739,088	\$ 6,573	\$ 1,616,775	\$ -
Accrued payroll, payroll taxes, and retirement	2,659,904	-	2,716,510	-
Accrued vacation	458,921	-	417,109	-
Accrued health and dental claims	-	-	36,221	-
Accrued interest	125,841	-	128,488	-
Unearned revenue - student fees	398,649	-	445,842	-
Other unearned revenue	49,181	-	31,008	-
Due to other organizations	43,738	-	53,150	-
Due to student organizations	424,522	-	413,510	-
General obligation debt - current portion	4,512,100	-	5,002,418	-
Total current liabilities	10,411,944	6,573	10,861,031	-
<i>Non-current Liabilities</i>				
Net pension liability	6,318,895	-	-	-
Net OPEB liability	-	-	6,196	-
General obligation debt	19,934,380	-	18,391,629	-
Total long-term liabilities	26,253,275	-	18,397,825	-
Total Liabilities	36,665,219	6,573	29,258,856	-
Deferred Inflows of Resources				
Deferred inflows related to pension	8,725,078	-	10,603,035	-
Deferred inflows related to OPEB	1,375,258	-	124,598	-
Total deferred inflows of resources	10,100,336	-	10,727,633	-
Net Position				
Net investment in capital assets	36,996,038	-	33,901,478	-
Restricted for net pension / OPEB asset	1,594,184	-	5,368,363	-
Restricted for debt service	942,206	-	987,821	-
Restricted for scholarships and other activities	-	3,021,479	-	2,493,065
Unrestricted	26,104,949	625,855	24,045,661	556,552
Total Net Position	65,637,377	3,647,334	64,303,323	3,049,617
Total Liabilities, Deferred Inflow of Resources and Net Position	\$ 112,402,932	\$ 3,653,907	\$ 104,289,812	\$ 3,049,617

The accompanying notes are an integral part of these statements.

Moraine Park Technical College

Statements of Revenues, Expenses and Changes in Net Position

For the years ended June 30, 2019 and 2018

	2019		2018	
	District	Foundation	District	Foundation
Operating Revenues				
Student program fees, net of scholarship allowances of \$3,114,628 and \$3,230,911 for 2019 and 2018, respectively	\$ 3,999,315	\$ -	\$ 3,792,255	\$ -
Student material fees, net of scholarship allowances of \$168,799 and \$172,867 for 2019 and 2018, respectively	216,744	-	202,902	-
Other student fees, net of scholarship allowances of \$468,861 and \$526,872 for 2019 and 2018, respectively	602,037	-	618,411	-
Federal grants	8,222,609	-	9,235,815	-
State grants	2,561,334	-	2,162,387	-
Contract revenue	3,487,693	-	3,235,300	-
Auxiliary enterprise revenues	209,504	-	203,489	-
Miscellaneous	718,121	1,098,582	622,765	1,638,215
Total operating revenues	<u>20,017,357</u>	<u>1,098,582</u>	<u>20,073,324</u>	<u>1,638,215</u>
Operating expenses				
Instruction	27,016,567	-	25,558,794	-
Instructional resources	2,243,417	-	2,417,766	-
Student services	8,115,614	-	7,615,211	-
General institutional	10,734,212	500,865	11,444,170	957,472
Physical plant	4,109,442	-	5,087,835	-
Auxiliary enterprise services	349,997	-	438,616	-
Depreciation	3,206,426	-	3,094,714	-
Student aid	4,714,801	-	5,351,261	-
Total operating expenses	<u>60,490,476</u>	<u>500,865</u>	<u>61,008,367</u>	<u>957,472</u>
Operating income (loss)	(40,473,119)	597,717	(40,935,043)	680,743
Non-operating revenues (expenses)				
Property taxes	16,947,144	-	16,747,140	-
State operating appropriations	24,620,871	-	24,505,199	-
Loss on disposal of capital assets	(312,898)	-	(77,755)	-
Investment income earned	899,115	-	295,574	-
Interest expense	(513,537)	-	(519,101)	-
Total non-operating revenues (expenses)	<u>41,640,695</u>	<u>-</u>	<u>40,951,057</u>	<u>-</u>
Income before contributions	1,167,576	597,717	16,014	680,743
Capital contributions - other	-	-	353,400	-
Capital contributions - state and federal grants	166,478	-	191,313	-
Change in Net Position	<u>1,334,054</u>	<u>597,717</u>	<u>560,727</u>	<u>680,743</u>
Net position - beginning of the year	<u>64,303,323</u>	<u>3,049,617</u>	<u>63,742,596</u>	<u>2,368,874</u>
Net position - end of the year	<u>\$ 65,637,377</u>	<u>\$ 3,647,334</u>	<u>\$ 64,303,323</u>	<u>\$ 3,049,617</u>

The accompanying notes are an integral part of these statements.

Moraine Park Technical College

Statements of Cash Flows

For the years ended June 30, 2019 and 2018

	2019	2018
Cash flows from operating activities		
Tuition and fees received	\$ 4,236,329	\$ 4,603,029
Federal and state grants received	10,348,827	12,076,827
Contract revenue received	3,846,337	3,630,220
Payments to employees	(38,347,177)	(36,662,782)
Payments to suppliers	(16,738,908)	(20,059,954)
Auxiliary enterprise revenue received	209,504	203,489
Other receipts	736,294	630,119
	(35,708,794)	(35,579,052)
Net cash used in operating activities		
Cash flows from non-capital financing activities		
Property taxes received	16,784,329	16,754,982
State appropriations received	24,620,871	24,505,199
	41,405,200	41,260,181
Net cash provided by non-capital financing activities		
Cash flows from capital and related financing activities		
Federal and state appropriations received for capital assets	166,478	191,313
Capital contributions for capital assets	-	353,400
Purchases of capital assets	(7,579,149)	(6,066,906)
Proceeds on sale of capital assets	8,240	10,998
Proceeds from issuance of capital debt	4,780,200	4,450,000
Premium from issuance of capital debt	86,039	81,053
Principal paid on capital debt	(5,090,000)	(5,010,000)
Interest paid on capital debt	(530,994)	(517,856)
	(8,159,186)	(6,507,998)
Net cash used in capital and related financing activities		
Cash flows from investing activities		
Investment income received	899,115	295,574
Purchase of investments	(24,856,594)	(32,945,676)
Proceeds from investments	22,236,624	20,012,384
	(1,720,855)	(12,637,718)
Net cash used in investing activities		
Net decrease in cash and cash equivalents	(4,183,635)	(13,464,587)
Cash and cash equivalents - beginning of the year	15,076,933	28,541,520
Cash and cash equivalents - end of the year	\$ 10,893,298	\$ 15,076,933
Reconciliation of cash and cash equivalents to the statement of net position		
Cash and investments	\$ 14,466,762	\$ 13,566,125
Restricted cash and investments	11,979,798	14,444,100
Less: Long-term investments	(15,553,262)	(12,933,292)
Total cash and cash equivalents	\$ 10,893,298	\$ 15,076,933

The accompanying notes are an integral part of these statements.

Moraine Park Technical College

Statements of Cash Flows (Continued)

For the years ended June 30, 2019 and 2018

	2019	2018
Reconciliation of operating loss to net cash used in operating activities		
Operating loss	\$ (40,473,119)	\$ (40,935,043)
Adjustments to reconcile operating loss to net cash used in operating activities		
Depreciation	3,206,426	3,094,714
Changes in assets and liabilities:		
Accounts receivable	358,644	394,920
Federal and state aid receivable	(435,116)	678,625
Student fees receivable	(534,574)	(100,812)
Inventories	852	(5,265)
Prepaid expenses	69,680	127,587
Deposit	(68,093)	(174,048)
Accounts payable	153,082	46,626
Accrued payroll, payroll taxes, and retirement	(56,606)	871,010
Accrued vacation	41,812	4,380
Accrued health, dental and vision claims	(36,221)	14,823
Unearned revenue - student fees	(47,193)	90,273
Other unearned revenue	18,173	7,354
Due to other organizations	(9,412)	3,461
Due to student organizations	11,012	(49,070)
Pension related asset/liability	11,687,258	(6,858,455)
Pension deferred inflows	(1,877,957)	5,916,823
Pension deferred outflows	(7,367,722)	1,633,908
Other post-employment benefits	(1,600,380)	(465,461)
OPEB deferred inflows	1,250,660	124,598
	\$ (35,708,794)	\$ (35,579,052)

The accompanying notes are an integral part of these statements.

Moraine Park Technical College

Statements of Fiduciary Net Position

As of June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Assets		
Non-current Assets		
Investments		
Money market mutual funds	\$ 15,690	\$ 15,539
Mutual funds - equity	4,010,155	4,279,865
Mutual funds - fixed income	<u>2,598,671</u>	<u>2,460,767</u>
Total non-current assets	<u>6,624,516</u>	<u>6,756,171</u>
Total Assets	<u>6,624,516</u>	<u>6,756,171</u>
Net Position		
Restricted for post-employment benefits	<u>\$ 6,624,516</u>	<u>\$ 6,756,171</u>

The accompanying notes are an integral part of these statements.

Moraine Park Technical College

Statements of Changes in Fiduciary Net Position Post-Employment Benefits Trust

For the years ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Additions		
Investment Income		
Interest	\$ 292	\$ 149
Dividends	168,070	153,631
Net change in fair value of investments	232,134	383,588
Total investment income	<u>400,496</u>	<u>537,368</u>
Total additions	<u>400,496</u>	<u>537,368</u>
Deductions		
Administrative expenses	32,151	33,090
Trust fund disbursements	<u>500,000</u>	<u>250,000</u>
Total deductions	<u>532,151</u>	<u>283,090</u>
Change in Net Position	(131,655)	254,278
Net Position Held in Trust for Post-Employment Benefits		
Beginning of year	<u>6,756,171</u>	<u>6,501,893</u>
End of year	<u>\$ 6,624,516</u>	<u>\$ 6,756,171</u>

The accompanying notes are an integral part of these statements.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Moraine Park Technical College was organized in 1911. In 1967 MPTC dropped its status as a city institution and became an area district under the Wisconsin Vocational, Technical and Adult Education system. In April 1994 Moraine Park Technical College became officially known as the Moraine Park Technical College District. Three campuses located at West Bend, Beaver Dam, and Fond du Lac, two regional centers in Jackson and Ripon, as well as several centers throughout the District offer associate degree programs in technical education, vocational programs and a wide range of courses in adult education.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to public colleges and universities as well as those prescribed by the Wisconsin Technical College System Board (WTCSB). The following is a summary of the significant accounting principles and policies utilized by the District:

1. Reporting Entity

The District Board (Board) oversees the operations of the District under provisions of Chapter 38 of the Wisconsin Statutes. The District includes all of Fond du Lac and Green Lake counties, major portions of Dodge and Washington counties, and parts of Calumet, Sheboygan, Waushara, Winnebago, Marquette, and Columbia counties. The Board consists of nine members appointed by county board chairpersons of the ten counties within the service area. As the District's governing authority, the Board's powers include:

- Authority to borrow money and levy taxes.
- Budgetary authority.
- 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.

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, requires reporting as a component unit, an organization that raises and holds economic resources for the direct benefit of a governmental unit.

The District is affiliated with Moraine Park Foundation, Inc. (the "Foundation"), a not-for-profit 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 has an independent board and is not fiscally accountable to the District. The Foundation has been reported as a discretely presented component unit in the District's financial statements.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Foundation's financial statements can be obtained through the Moraine Park Foundation, 235 N. National Avenue, Fond du Lac, WI 54936.

2. 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. Accordingly, the District's 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 years for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All significant inter-District transactions have been eliminated.

3. Accounting Estimates

The preparation of basic financial statements in conformity with GAAP requires the District to make estimates and assumptions that affect the reported amounts of assets and liabilities 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 these estimates.

4. Cash and Cash Equivalents

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

5. Property Tax and Taxes Receivable

The District disseminates its property tax levy to city, village, and town clerks in October of the fiscal year for which the taxes are levied. Property taxes are recognized as District revenue when it is measurable and available. Installment payments associated with principal and interest due on general obligation notes and bonds payable after June 30 are considered deferred revenue. The following dates are pertinent to the District's tax calendar:

Levy date	October 31
Assessment date	January 1
Due dates	January 31 (full) January 31 and July 31 (installments)
Lien date	August 31
Settlement dates	February and August

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District recognizes the property tax levy as revenue in the fiscal year for which the taxes were levied, except for tax levy collections applicable to debt service funding for the subsequent year. These collections do not meet the revenue recognition criteria and are reported as deferred property taxes at June 30, 2019.

Wisconsin state statutes provide a limit on the property tax levies for all Wisconsin Technical Colleges. The increase in the maximum allowable tax levy is limited to the percentage change in the District's January 1 equalized value as a result of net new construction. The restrictions do not apply to debt service expenditures. For the years ended June 30, 2019 and 2018, the District levied taxes at the following mill rates:

	<u>2019</u>	<u>2018</u>
Operating purposes	\$0.42945	\$0.43178
Debt service requirements	<u>0.20626</u>	<u>0.21752</u>
Totals	<u>\$0.63571</u>	<u>\$0.64930</u>

The 2018 tax levy used to finance the fiscal year ended June 30, 2019 was \$16,915,335. The 2017 tax levy used to finance the prior year was \$16,715,975.

6. Inventories

Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable food service, auto parts, and other supplies held for consumption. The cost is recorded as an expense at the time the individual inventory items are consumed rather than when purchased.

7. Prepaid Expenses

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

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Capital Assets

Capital assets are valued at the historical cost or estimated historical cost if actual cost history is not available. Donated capital assets are valued at their estimated acquisition value on the date donated.

The costs of maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operations as incurred. Equipment assets having a cost of \$5,000 or more per unit and building or remodeling projects of \$15,000 or more are capitalized. Depreciation on capital assets is provided in amounts sufficient to relate the cost of the depreciable assets to operations on the straight-line basis over the estimated service lives, which range from 5 to 15 years for equipment, 20 years for land improvements, and 50 years for buildings and improvements.

9. Accumulated Vacation, Income Protection, and Other Employee Benefits

Vacation:

District employees earn vacation in varying amounts based on years of service and hours or days worked. Vacation earned is forfeited if not taken within six months following the end of the fiscal year in which it was earned.

Income Protection:

District employees earn income protection annually. Income protection allows employees to take paid leave for personal illnesses, deaths in the family, attendance at funerals, temporary medical disabilities, or other personal obligations. Any unused portion is allowed to accumulate to a maximum number of days, but is lost upon retirement or termination. Accumulated unpaid amounts are not accrued.

Retirement Plan:

The District has a retirement plan covering substantially all of its employees which is funded through contributions to the Wisconsin Retirement System. All contributions made by the District on behalf of its employees are reported as expenses when incurred.

Post-retirement health, dental and life benefits:

Upon retirement, District employees meeting a minimum age and length of service requirement may participate in the District's group health and dental insurance plans. The District pays 70% of the health premiums and 90% of the dental premiums (100% for persons who retired prior to July 1, 2006) until age 65. If a retiree and spouse participate in a health risk assessment or complete an annual physical with blood work, the District pays 90% of the health premiums. At age 65, a dental plan is available through COBRA continuation for 18 months. Life insurance premiums are paid in full by the District for employees who retired prior to July 1, 2009 until a death benefit is paid. Additional information regarding the District's other post-employment benefits is included in Note F.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

11. Other Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's Other Postemployment Benefit Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

12. Tuition and Fees and Student Accounts Receivable

Tuition and fees are recorded as revenue in the period in which the related activity or instruction takes place. Revenues for the summer semester are prorated on the basis of student class days occurring before and after June 30.

The District's student fees receivable is stated at amounts due from students, net of an allowance for doubtful accounts, if appropriate. Amounts outstanding longer than the agreed upon payment terms are considered past due. The District determines its allowance for doubtful accounts by considering a number of 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. At June 30, 2019, the District has determined that an allowance for doubtful accounts is not necessary based on the above criteria, which is consistent with the prior year.

13. State and Federal Revenues

The District receives funding pursuant to various federal and state contracts and grants. Some of these revenues are earned over fiscal periods different than that of the District and are subject to the Federal and State Single Audit Act guidelines.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

14. Unearned Revenues

Unearned revenues include amounts received for tuition and fees prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

15. Scholarship Allowances and Student Financial Aid

All financial aid awarded to students, including loans and private scholarships, is reflected in the financial statements as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expenses represents the portion of aid that was provided to students in the form of cash. Scholarship allowances represent the portion of aid provided to students in the form of reduced tuition.

16. Deferred Outflows/Inflows of Resources

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

17. Net Position

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

- Net investment in capital assets. Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- Restricted net position. Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- Unrestricted net position. Net position that is neither classified as restricted nor as net investment in capital assets. When an expense is incurred that can be paid using either restricted or unrestricted resources, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

When an expense is incurred that can be paid using either restricted or unrestricted resources, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

18. Classification of Revenue and Expense

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

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 student tuition and fees, net of scholarship allowances, sales and services of auxiliary enterprises, and most federal, state, and local grants and contracts. Operating expenses include the cost of providing educational services, student aid, administrative expenses, and depreciation on capital assets.

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

19. Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform with the presentation in the current year financial statements with no change in previously reported net position, changes in net position, fund balance or changes in fund balance.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE B: CASH AND INVESTMENTS

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool. Investments in the private-purpose trust fund may be invested in other types of investments as authorized under Wisconsin Statute 881.01, "Uniform Prudent Investor Act".

The carrying amount of the District's cash and investments totaled \$33,071,076 and \$34,766,396 on June 30, 2019 and 2018, respectively, as summarized below:

	2019	2018
Petty cash funds	\$ 5,307	\$ 5,182
Interest bearing demand deposits	10,866,704	3,977,228
Investments		
Negotiable certificates of deposit	857,536	842,975
US Treasury notes	7,605,262	7,242,065
US government instrumentalities	1,122,271	1,095,428
Fannie Mae	1,232,586	983,100
Federal Home Loan Bank	-	987,374
Corporate bonds	2,737,154	2,407,996
Commercial paper	-	9,092,590
Asset backed securities	1,868,859	1,268,231
Money market mutual fund	166,571	122,508
Mutual funds – equity	4,010,155	4,279,865
Mutual funds – fixed income	2,598,671	2,461,854
	\$ 33,071,076	\$ 34,766,396

Reconciliation to the basic financial statements:

	2019	2018
Statements of net position		
Cash and investments	\$ 14,466,762	\$ 13,566,125
Restricted cash and investments	11,979,798	14,444,100
Fiduciary fund statements of net position		
Post-employment benefits trust	6,624,516	6,756,171
	\$ 33,071,076	\$ 34,766,396

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE B: CASH AND INVESTMENTS (Continued)

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

Custodial Credit Risk

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

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. 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. This coverage has been considered in determining custodial credit risk.

As of June 30, 2019 and 2018, \$10,448,951 and \$3,491,153 of the District's deposits with financial institutions were in excess of federal and state depository insurance limits. No amounts were collateralized.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investment in securities to the top two ratings assigned by nationally recognized statistical rating organizations. Presented below is the actual rating as of the year-end for each investment type.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE B: CASH AND INVESTMENTS (Continued)

2019

	Fair Value	Exempt from Disclosure	AAA	AA	A	Not Rated
Negotiable certificates of deposit	\$ 857,536	\$ -	\$ -	\$ 299,986	\$ 557,550	\$ -
US Treasury notes	7,605,262	7,605,262	-	-	-	-
US government instrumentalities	1,122,271	-	1,122,271	-	-	-
Fannie Mae	1,232,586	-	1,232,586	-	-	-
Corporate bonds	2,737,154	-	605,636	2,131,518	-	-
Asset backed securities	1,868,859	-	1,868,859	-	-	-
Money market mutual fund	166,571	-	166,571	-	-	-
Mutual funds – fixed income	<u>2,598,671</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,598,671</u>
Totals	<u>\$18,188,910</u>	<u>\$7,605,262</u>	<u>\$4,995,923</u>	<u>\$2,431,504</u>	<u>\$ 557,550</u>	<u>\$2,598,671</u>

Presented below is the actual rating as of June 30, 2018 for each investment type.

2018

	Fair Value	Exempt from Disclosure	AAA	Aa	A	Not Rated
Negotiable certificates of deposit	\$ 842,975	\$ -	\$ -	\$ 842,975	\$ -	\$ -
US Treasury notes	7,242,065	7,242,065	-	-	-	-
US government instrumentalities	-	-	1,095,428	-	-	-
Fannie Mae	983,100	-	983,100	-	-	-
Federal Home Loan Bank	987,374	-	987,374	-	-	-
Corporate bonds	2,407,996	-	295,270	1,818,370	294,356	-
Commercial paper	9,092,590	-	-	-	9,092,590	-
Asset backed securities	1,268,231	-	1,268,231	-	-	-
Money market mutual fund	122,508	-	122,508	-	-	-
Mutual funds – fixed income	<u>2,461,854</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,461,854</u>
Totals	<u>\$25,408,693</u>	<u>\$7,242,065</u>	<u>\$4,751,911</u>	<u>\$2,661,345</u>	<u>\$9,386,946</u>	<u>\$2,461,854</u>

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE B: CASH AND INVESTMENTS (Continued)

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. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy limits the maturity of any security to no more than one year from the date of purchase. Presented below are the maturities as of June 30, 2019 and 2018 for each investment type.

	2019				
	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-3	4-7	More than 7
Negotiable certificates of deposit	\$ 857,536	\$ 557,550	\$ 299,986	\$ -	\$ -
US Treasury notes	7,605,262	-	7,605,262	-	-
US government instrumentalities	1,122,271	-	1,122,271	-	-
Fannie Mae	1,232,586	-	1,232,586	-	-
Corporate bonds	2,737,154	299,739	2,437,415	-	-
Asset backed securities	1,868,859	-	508,700	1,360,159	-
Money market mutual fund	166,571	166,571	-	-	-
Mutual funds – fixed income	2,598,671	2,598,671	-	-	-
Totals	<u>\$18,188,910</u>	<u>\$ 3,622,531</u>	<u>\$13,206,220</u>	<u>\$ 1,360,159</u>	<u>\$ -</u>
	2018				
	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-3	4-7	More than 7
Negotiable certificates of deposit	\$ 842,975	\$ -	\$ 549,240	\$ 293,735	\$ -
US Treasury notes	7,242,065	1,893,877	2,460,644	2,887,544	-
US government instrumentalities	1,095,428	-	-	1,095,428	-
Fannie Mae	983,100	-	983,100	-	-
Federal Home Loan Bank	987,374	-	987,374	-	-
Corporate bonds	2,407,996	-	1,526,522	881,474	-
Commercial paper	9,092,590	9,092,590	-	-	-
Asset backed securities	1,268,231	-	-	1,062,819	205,412
Money market mutual fund	122,508	122,508	-	-	-
Mutual funds – fixed income	2,461,854	2,461,854	-	-	-
Totals	<u>\$26,504,121</u>	<u>\$13,570,829</u>	<u>\$ 6,506,880</u>	<u>\$6,221,000</u>	<u>\$ 205,412</u>

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

B: CASH AND INVESTMENTS (Continued)

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 asset. 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. Presented below are the fair value levels by type as of June 30, 2019 and 2018:

	2019		
	Fair Value Measurements Using:		
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments			
Negotiable certificates of deposit	\$ -	\$ 857,536	\$ -
US Treasury notes	-	7,605,262	-
US government instrumentalities	-	1,122,271	-
Fannie Mae	-	1,232,586	-
Corporate bonds	-	2,737,154	-
Asset backed securities	-	1,868,859	-
Money market mutual fund	166,571	-	-
Mutual funds – equity	4,010,155	-	-
Mutual funds – fixed income	<u>2,598,671</u>	<u>-</u>	<u>-</u>
 Total investments by fair value level	 <u>\$ 6,775,397</u>	 <u>\$15,423,668</u>	 <u>\$ -</u>

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

B: CASH AND INVESTMENTS (Continued)

	2018		
	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments			
Negotiable certificates of deposit	\$ -	\$ 842,975	\$ -
US Treasury notes	-	7,242,065	-
US government instrumentalities	-	1,095,428	-
Fannie Mae	-	983,100	-
Federal Home Loan Bank	-	987,374	-
Corporate bonds	-	2,407,996	-
Asset backed securities	-	1,268,231	-
Money market mutual fund	122,508	-	-
Mutual funds – equity	4,279,865	-	-
Mutual funds – fixed income	2,461,854	-	-
Total investments by fair value level	\$ 6,864,227	\$14,827,169	\$ -

The valuation methods for recurring fair value measurements are as follows:

Investment Type	Valuation Method
U.S. Treasury notes	Institutional quotes - evaluations based on various market and industry inputs
Corporate Bonds, Certificates of deposit, Asset backed securities, US government instrumentalities	Institutional quotes - evaluations based on various market and industry inputs
Fannie Mae	Mortgage backed securities pricing - evaluations based on various market and industry inputs

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE C: CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2019:

	2019			
	Beginning Balance	Increases	Decreases	
Capital assets not being depreciated:				
Land	\$ 838,602	\$ -	\$ -	\$ 838,602
Construction in progress	1,627,233	3,954,671	2,363,125	3,218,779
Total capital assets not being depreciated	<u>2,465,835</u>	<u>3,954,671</u>	<u>2,363,125</u>	<u>4,057,381</u>
Capital assets being depreciated:				
Land Improvements	2,065,914	239,110	-	2,305,024
Buildings and building improvements	70,248,947	4,116,211	-	74,365,158
Furniture and equipment	17,998,569	1,601,513	1,834,687	17,765,395
Total capital assets being depreciated	<u>90,313,430</u>	<u>5,956,834</u>	<u>1,834,687</u>	<u>94,435,577</u>
Total cost of capital assets	<u>92,779,265</u>	<u>9,911,505</u>	<u>4,197,812</u>	<u>98,492,958</u>
Less accumulated depreciation for:				
Land Improvements	1,128,638	80,035	-	1,208,673
Buildings and building improvements	27,199,791	1,848,191	-	29,047,982
Furniture and equipment	10,894,607	1,278,200	1,513,549	10,659,258
Total accumulated depreciation	<u>39,223,036</u>	<u>3,206,426</u>	<u>1,513,549</u>	<u>40,915,913</u>
Net capital assets	53,556,229	<u>\$ 6,705,079</u>	<u>\$ 2,684,263</u>	57,577,045
Less outstanding debt related to capital assets	<u>(19,654,751)</u>			<u>(20,581,007)</u>
Net investment in capital assets	<u>\$ 33,901,478</u>			<u>\$ 36,996,038</u>

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE C: CAPITAL ASSETS (Continued)

The following is a summary of changes in capital assets for the year ended June 30, 2018:

	2018			
	Beginning Balance	Increases	Decreases	
Capital assets not being depreciated:				
Land	\$ 838,602	\$ -	\$ -	\$ 838,602
Construction in progress	292,312	1,530,397	195,476	1,627,233
Total capital assets not being depreciated	<u>1,130,914</u>	<u>1,530,397</u>	<u>195,476</u>	<u>2,465,835</u>
Capital assets being depreciated:				
Land Improvements	1,974,484	91,430	-	2,065,914
Buildings and building improvements	66,848,388	3,400,559	-	70,248,947
Furniture and equipment	19,295,489	1,426,939	2,723,859	17,998,569
Total capital assets being depreciated	<u>88,118,361</u>	<u>4,918,928</u>	<u>2,723,859</u>	<u>90,313,430</u>
Total cost of capital assets	<u>89,249,275</u>	<u>6,449,325</u>	<u>2,919,335</u>	<u>92,779,265</u>
Less accumulated depreciation for:				
Land Improvements	1,055,595	73,043	-	1,128,638
Buildings and building improvements	25,479,154	1,720,637	-	27,199,791
Furniture and equipment	12,228,679	1,301,035	2,635,107	10,894,607
Total accumulated depreciation	<u>38,763,428</u>	<u>3,094,715</u>	<u>2,635,107</u>	<u>39,223,036</u>
Net capital assets	50,485,847	<u>\$ 3,354,610</u>	<u>\$ 284,228</u>	53,556,229
Less outstanding debt related to capital assets	<u>(20,991,986)</u>			<u>(19,654,751)</u>
Net investment in capital assets	<u>\$ 29,493,861</u>			<u>\$ 33,901,478</u>

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE D: GENERAL LONG-TERM OBLIGATIONS

Long-term obligations of the District consist of general obligation notes payable. Changes in these liabilities during the years ended June 30, 2019 and 2018 are summarized below:

	2019				
	Balance 7/1/2018	Additions	Reductions	Balance 6/30/2019	Amounts Due Within One Year
General obligation notes	\$ 23,320,000	\$ 6,015,000	\$ 5,090,000	\$ 24,245,000	\$ 4,485,000
Debt premium	74,047	142,243	14,810	201,480	27,100
Long-term obligations	<u>\$ 23,394,047</u>	<u>\$ 6,157,243</u>	<u>\$ 5,104,810</u>	<u>\$ 24,446,480</u>	<u>\$ 4,512,100</u>
	2018				
	Balance 7/1/2017	Additions	Reductions	Balance 6/30/2018	Amounts Due Within One Year
General obligation notes	\$ 23,880,000	\$ 4,450,000	\$ 5,010,000	\$ 23,320,000	\$ 4,990,000
Debt premium	-	81,053	7,006	74,047	12,418
Long-term obligations	<u>\$ 23,880,000</u>	<u>\$ 4,531,053</u>	<u>\$ 5,017,006</u>	<u>\$ 23,394,047</u>	<u>\$ 5,002,418</u>

All general obligation debt is secured by the full faith and credit and unlimited taxing powers of the District. General long-term debt obligations at June 30, 2019 and 2018 are comprised of the following individual issues:

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

	Balance June 30, 2019	Balance June 30, 2018
<p>\$3,425,000 general obligation promissory notes dated May 6, 2009 to R.W. Baird & Co., Inc. for building expansion, remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments of 2.7% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2019.</p>	\$ -	\$ 420,000
<p>\$2,615,000 general obligation promissory notes dated May 12, 2010 to R.W. Baird & Co., Inc. for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 2.0% to 3.0% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2020.</p>	295,000	575,000
<p>\$4,935,000 general obligation promissory notes dated June 8, 2011 to R.W. Baird & Co., Inc. for building expansion, remodeling and improvement projects, the acquisition of moveable equipment and the refunding of bonds issued in 2001. Semi-annual interest payments ranging from 2.0% to 3.0% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2021.</p>	665,000	975,000
<p>\$2,905,000 general obligation promissory notes dated June 6, 2012 to UMB Bank N.A., for building expansion, remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 1.25% to 1.85% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2022.</p>	980,000	1,285,000
<p>\$4,000,000 general obligation promissory notes dated October 10, 2012 to UMB Bank N.A., for remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 1.00% to 1.65% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2022.</p>	930,000	1,220,000

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE D: GENERAL LONG-TERM OBLIGATIONS (Continued)

	<u>Balance</u> <u>June 30, 2019</u>	<u>Balance</u> <u>June 30, 2018</u>
<p>\$2,855,000 general obligation promissory notes dated June 27, 2013 to UMB Bank N.A., for building expansion, the acquisition of moveable equipment and the refunding of notes issued in 2006 and 2007. Semi-annual interest payments ranging from 1.25% to 2.20% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2023.</p>	795,000	980,000
<p>\$3,975,000 general obligation promissory notes dated October 10, 2013 to Piper Jaffray., for general remodeling, EMT, facilities/printing and equipment. Semi-annual interest payments ranging from 2.00% to 2.75% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2023.</p>	1,205,000	1,475,000
<p>\$2,200,000 general obligation promissory notes dated June 16, 2014 to BOSC, Inc., for the Fond du Lac main entrance expansion and equipment. Semi-annual interest payments ranging from 2.00% to 2.25% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2024.</p>	1,200,000	1,415,000
<p>\$2,980,000 general obligation promissory notes dated September 10, 2014 to BMO Capital Markets, for general remodeling and equipment. Semi-annual interest payments ranging from 2.00% to 2.25% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2024.</p>	980,000	1,350,000
<p>\$3,345,000 general obligation promissory notes dated February 11, 2015 to FTN Financial Capital Markets, for the Fond du Lac student services remodel, equipment and the refunding of notes issued in 2007 and 2008. Semi-annual interest payments ranging from 1.00% to 2.00% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2024.</p>	1,500,000	1,765,000

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE D: GENERAL LONG-TERM OBLIGATIONS (Continued)

	<u>Balance</u> <u>June 30, 2019</u>	<u>Balance</u> <u>June 30, 2018</u>
<p>\$2,600,000 general obligation promissory notes dated September 16, 2015 to BOSCO Inc, for general district remodeling and equipment. Semi-annual interest payments ranging from 1.00% to 2.00% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2019.</p>	-	535,000
<p>\$2,200,000 general obligation promissory notes dated June 8, 2016 to BOSCO, Inc., for the Fond du Lac student services addition - Phase II and equipment. Semi-annual interest payments ranging from 1.70% to 2.00% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2026.</p>	1,615,000	1,815,000
<p>\$3,680,000 general obligation promissory notes dated December 1, 2016 to UMB Bank N.A., for general district remodeling and equipment. Semi-annual interest payments ranging from 1.50% to 2.00% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2026.</p>	2,535,000	3,040,000
<p>\$2,485,000 general obligation promissory notes dated May 10, 2017 to Piper Jaffray, for general district remodeling and equipment. Semi-annual interest payments ranging from 2.00% to 3.00% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2027.</p>	2,150,000	2,385,000

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE D: GENERAL LONG-TERM OBLIGATIONS (Continued)

	<u>Balance</u> <u>June 30, 2019</u>	<u>Balance</u> <u>June 30, 2018</u>
<p>\$3,450,000 general obligation promissory notes dated Septemeber 20, 2017 to BOK Financial Securities for general district remodeling, the Gas utility addition, and equipment. Semi-annual interest payments of 2% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2027.</p>	2,695,000	3,085,000
<p>\$1,000,000 general obligation promissory notes dated January 17, 2018 to Northland Securities, Inc. for general district remodeling, and equipment. Semi-annual interest payments of 3% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2022.</p>	785,000	1,000,000
<p>\$3,500,000 general obligation promissory notes dated November 27, 2018 to BOK Financial Securities, for general district remodeling and equipment. Semi-annual interest payments of 3% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2028.</p>	3,400,000	-
<p>\$1,255,000 general obligation promissory notes dated June 6, 2019 to Bernardi Securities for general district remodeling, and equipment. Semi-annual interest payments of 3% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2029.</p>	1,255,000	-
<p>\$1,260,000 general obligation promissory notes authorization dated June 19, 2019 to BOK Financial Securities for general district remodeling, and equipment. Semi-annual interest payments ranging from 2.5 to 3% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2029.</p>	<u>1,260,000</u>	<u>-</u>
	<u>\$ 24,245,000</u>	<u>\$ 23,320,000</u>

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE D: GENERAL LONG-TERM OBLIGATIONS (Continued)

Aggregate maturities of principal and interest of the general obligation debt are as follows:

<u>Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2020	\$ 4,485,000	\$ 543,359	\$ 5,028,359
2021	4,495,000	462,680	4,957,680
2022	3,975,000	363,220	4,338,220
2023	3,195,000	272,588	3,467,588
2024	2,500,000	194,353	2,694,353
2025-2029	<u>5,595,000</u>	<u>327,633</u>	<u>5,922,633</u>
Totals	<u>\$ 24,245,000</u>	<u>\$ 2,163,833</u>	<u>\$ 26,408,833</u>

Wisconsin State Statutes limit the total general obligation debt of Moraine Park Technical College District to 5% of the equalized valuation of taxable property within the District and further limit the District's bonded indebtedness to 2% of equalized valuation.

At June 30 2019, the District's aggregate obligation debt and aggregate bonded indebtedness (net of resources available to fund the debts) was \$23,439,909 and \$0. The 5% and 2% limits as of June 30, 2019 were \$1,376,255,362 and \$550,502,145 respectively.

At June 30, 2018, the District's aggregate general obligation debt and aggregate bonded indebtedness (net of resources available to fund the debts) was \$22,453,355 and \$0. The 5% and 2% limits as of June 30, 2018 were \$1,325,958,005 and \$530,383,202 respectively.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE E: PENSION PLAN

Plan Description

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

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

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

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.

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and executive service retirement plan participants if hired on or before December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service. The factors influencing the benefit are 1) final average earnings, 2) years of creditable service, and 3) a formula factor.

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.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE E: PENSION PLAN (Continued)

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

Post-Retirement Adjustments

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

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2008	6.6	0
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE E: PENSION PLAN (Continued)

Contributions

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

During the years ending June 30, 2019 and 2018, respectively, the WRS recognized \$1,810,046 and \$1,796,013 in contributions from the District.

Contribution rates for the reporting periods are:

<u>Employee Category</u>	<u>December 31, 2018</u>		<u>December 31, 2017</u>	
	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers, executives and elected officials)	6.7%	6.7%	6.8%	6.8%
Protective with Social Security	6.7%	10.7%	6.8%	10.6%
Protective without Social Security	6.7%	14.9%	6.8%	14.9%

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

At June 30, 2019 and 2018 the District reported a net pension liability of \$6,318,894 and a net pension asset of \$5,368,363, respectively, for its proportionate share of the net pension liability/asset. The WRS net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the District's proportion was 0.17761247% which was a decrease of 0.00319417% from its proportion measured as of December 31, 2017.

For the years ended June 30, 2019 and 2018, the District recognized pension expense of \$4,282,989 and \$2,335,817 respectively.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE E: PENSION PLAN (Continued)

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

At June 30, 2019 and 2018, the District reported deferred outflows and inflows of resources related to pensions from the following sources:

	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,921,462	\$ 8,699,375	\$ 6,820,638	\$ 3,190,469
Net differences between projected and actual earnings on pension plan investments	9,228,313	-	-	7,378,318
Changes in assumptions	1,065,135	-	1,060,683	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	51,294	25,703	33,498	34,248
Employer contributions subsequent to the measurement date	1,036,566	-	1,020,229	-
Total	\$ 16,302,770	\$ 8,725,078	\$ 8,935,048	\$ 10,603,035

\$1,036,566 reported as deferred outflows related to pension resulting from the District's contributions subsequent to the measurement date will be recognized as a decrease in the net pension liability in the year ended June 30, 2020.

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

For the year ended June 30, 2019		For the year ended June 30, 2018	
Year ended June 30	Expense	Year ended June 30	Expense
2020	\$ 2,368,829	2019	\$ 587,995
2021	600,448	2020	(43,889)
2022	1,035,316	2021	(1,843,959)
2023	2,536,533	2022	(1,401,175)
Total	\$ 6,541,126	2023	12,812
		Total	\$ (2,688,216)

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE E: PENSION PLAN (Continued)

Actuarial Assumption

The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2017
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.00%
Discount Rate:	7.00%
Salary Increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-retirement Adjustments*	1.9%

The total pension liability in the December 31, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2016
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.20%
Discount Rate:	7.20%
Salary Increases:	
Inflation	3.20%
Seniority/Merit	0.2% - 5.6%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*	2.1%

- * No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE E: PENSION PLAN (Continued)

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The Total Pension Liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

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

	<u>Current Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
<u>Core Fund Asset Class</u>			
Global Equities	49%	8.1%	5.5%
Fixed Income	24.5%	4.0%	1.5%
Inflation Sensitive Assets	15.5%	3.8%	1.3%
Real Estate	9%	6.5%	3.9%
Private Equity/Debt	8%	9.4%	6.7%
Multi-Asset	4%	6.7%	4.1%
Total Core Fund	110%	7.3%	4.7%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70%	7.6%	5.0%
International Equities	30%	8.5%	5.9%
Total Variable Fund	100%	8.0%	5.4%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

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

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE E: PENSION PLAN (Continued)

Single Discount rate. A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a long-term bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan members contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension 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 7.00%, 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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

For the year ended June 30, 2019			
	1% Decrease to Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase to Discount Rate (8.0%)
District's proportionate share of the net pension liability (asset)	\$ 25,111,950	\$ 6,318,895	\$ (7,655,199)

For the year ended June 30, 2018			
	1% Decrease to Discount Rate (6.20%)	Current Discount Rate (7.20%)	1% Increase to Discount Rate (8.20%)
District's proportionate share of the net pension liability (asset)	\$ 13,889,789	\$ (5,368,363)	\$ (20,005,156)

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

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

Payable to the WRS

The District reported a payable to the pension plan as of June 30, 2019 and 2018 in the amount of \$480,535 and \$622,899, respectively, for its share and the employees' share of the June 2019 and 2018 legally required contributions to the plan. This amount is included in payroll related liabilities on the Statements of Net Position.

NOTE F: OTHER POST-EMPLOYMENT BENEFITS

Other Postemployment Benefits Other Than Pension Benefits (OPEB)

a. Plan Description

The Plan is a single-employer defined benefit postemployment health plan that covers retired employees of the District. Eligible retired employees have access to group medical coverage through the District's group plan. District paid medical benefits are paid for as indicated below. All employees of the District are eligible for the Plan if they meet the following age and service requirements below. The plan does not issue separate financial statements.

b. Benefits Provided

The District shall pay portions of health and dental premiums, make contributions to individual HRA accounts, and provide life insurance, based upon retirement dates and years of service.

c. At June 30, 2019 and 2018, the following employees were covered by the benefit terms:

	<u>2019</u>	<u>2018</u>
Inactive employees entitled to benefit payments	194	194
Active employees	350	248
	<u>544</u>	<u>442</u>

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE F: OTHER POST-EMPLOYMENT BENEFITS (Continued)

d. Contributions

Employees	District Contributions
Teachers and Management	For participants retired on or after July 1, 2009, the College will contribute 70% of the medical premium, unless the retiree completes the health risk assessment, then the College will contribute 90% of the medical premium. The College contributes 90% of the dental premium for those retired prior to July 1, 2013.
Support Professionals	For participants retired on or after July 1, 2009, the College will contribute 70% of the medical premium, unless the retiree completes the health risk assessment, then the College will contribute 90% of the medical premium. The College contributes 90% of the dental premium for those retired prior to July 1, 2013.

* Life insurance is also provided to certain retirees, based on the plan description

* See plan descriptions for additional detailed eligibility requirements

e. Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2018.

Actuarial Assumptions. The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	2.5 percent
Salary Increases:	Ranges from 0.7 percent to 3.0 percent
Investment Rate of Return:	6.00 percent
Healthcare cost trend rates:	8.20 percent decreasing to 7.00 percent in the second year, then decreasing to 6.50 percent, then by 0.10 percent per year down to 5.00 percent, and level thereafter

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE F: OTHER POST-EMPLOYMENT BENEFITS (Continued)

Mortality rates are the same as those used in the December 31, 2015 Wisconsin Retirement System's annual report.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study using Wisconsin Retirement System (WRS) experience from 2012-2014.

The long-term expected rate of return on OPEB plan investments was valued at 6.00%. The rate is based upon the College's current asset class allocation and expected nominal returns.

Discount rate. The discount rate used to measure the total OPEB liability was 6.00 percent. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

f. Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balance at July 1, 2018	\$ 6,762,367	\$ 6,756,171	\$ 6,196
Changes for the year:			
Service cost	111,050	-	111,050
Interest	392,911	-	392,911
Differences between expected and actual experience	(1,384,557)	-	(1,384,557)
Changes of assumptions or other input	(312,692)	-	(312,692)
Contributions - employer	-	38,746	(38,746)
Net investment income	-	400,496	(400,496)
Benefit payments	(538,746)	(538,746)	-
Administrative expenses	-	(32,151)	32,151
Net changes	(1,732,034)	(131,655)	(1,600,379)
Balance at June 30, 2019	<u>\$ 5,030,333</u>	<u>\$ 6,624,516</u>	<u>\$ (1,594,183)</u>

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE F: OTHER POST-EMPLOYMENT BENEFITS (Continued)

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balance at July 1, 2017	\$ 6,973,550	\$ 6,501,893	\$ 471,657
Changes for the year:			
Service cost	104,764	-	104,764
Interest	400,075	-	400,075
Contributions - employer	-	466,022	(466,022)
Net investment income	-	537,368	(537,368)
Benefit payments	(716,022)	(716,022)	-
Administrative expenses	-	(33,090)	33,090
Net changes	(211,183)	254,278	(465,461)
Balance at June 30, 2018	<u>\$ 6,762,367</u>	<u>\$ 6,756,171</u>	<u>\$ 6,196</u>

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.00 percent) or 1-percentage-point higher (7.00 percent) than the current rate:

	For the year ended June 30, 2019		
	1% Decrease to Discount Rate	Current Discount Rate	1% Increase to Discount Rate
	(5.00%)	(6.00%)	(7.00%)
	\$	\$	\$
Net OPEB asset	(1,270,550)	(1,594,184)	(1,889,062)

	For the year ended June 30, 2018		
	1% Decrease to Discount Rate	Current Discount Rate	1% Increase to Discount Rate
	(5.00%)	(6.00%)	(7.00%)
	\$	\$	\$
Net OPEB liability (asset)	381,470	6,196	(334,101)

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE F: OTHER POST-EMPLOYMENT BENEFITS (Continued)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.2 percent decreasing to 4.0 percent) or 1-percentage-point higher (9.2 percent decreasing to 6.0 percent) than the current healthcare cost trend rates:

For the year ended June 30, 2019			
	1% Decrease (7.2% decreasing to 4.0%)	Healthcare Cost Trend Rates (8.2% decreasing to 5.0%)	1% Increase (9.2% decreasing to 6.0%)
Net OPEB asset	\$ (1,871,456)	\$ (1,594,184)	\$ (1,278,202)
For the year ended June 30, 2018			
	1% Decrease (6.5% decreasing to 4.0%)	Healthcare Cost Trend Rates (7.5% decreasing to 5.0%)	1% Increase (8.5% decreasing to 6.0%)
Net OPEB liability (asset)	\$ (353,294)	\$ 6,196	\$ 415,219

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

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE F: OTHER POST-EMPLOYMENT BENEFITS (Continued)

- g. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2019 and 2018, the District recognized OPEB expense of \$(310,973) and \$125,159. At June 30, 2019 and 2018, the District did not report any deferred outflows of resources. At June 30, 2019 and 2018, the District reported deferred inflows of resources related to OPEB from the following sources:

	June 30, 2019 Deferred Inflows of Resources	June 30, 2018 Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,038,418	\$ -
Changes in assumptions	234,518	-
Net difference between projected and actual earnings on OPEB plan investments	102,322	124,598
Total	\$ 1,375,258	\$ 124,598

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
2020	\$ 457,679
2021	457,679
2022	457,681
2023	2,219
Total	\$ 1,375,258

- h. Payable to the OPEB Plan

At June 30, 2019 and 2018, the District reported no payable for the outstanding amount of contributions to the Plan required for the year ended June 30, 2019 and 2018.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE G: RISK MANAGEMENT

Insurance Consortium

As of July 1, 2015, the District joined together with other colleges in the State to form the Wisconsin Technical College Employee Benefits Consortium (WTCEBC). WTCEBC is a public entity risk pool that the College participates in to provide health insurance coverage to its employees. The main purpose of WTCEBC is to jointly self-insure certain risks up to an agreed upon retention limit and to obtain excess catastrophic coverage and aggregate stop-loss reinsurance over the selected retention limit. The District pays WTCEBC a monthly premium based on the number of participants and the type of coverage that has been elected. Individual claims below \$100,000 are self-funded by the college. Any individual claim exceeding \$100,000 but less than \$250,000 is shared in a pooled layer among all of the colleges participating in the consortium. Individual claims exceeding \$250,000 and aggregate claims exceeding \$1,000,000 are subject to reinsurance.

The claims liability of \$886,000 and \$495,000 as reported at June 30, 2019 and 2018, respectively, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires 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 fund's claims liability amount in fiscal years 2019 and 2018 were:

	Unpaid Claims At Beginning of Year	Current Year Claims and Changes In Estimates	Claim Payments	Unpaid Claims at End of Year
2017-18	\$ 493,000	\$ 5,267,919	\$ 5,265,919	\$ 495,000
2018-19	495,000	9,681,005	9,310,005	866,000

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE G: RISK MANAGEMENT (Continued)

Districts Mutual Insurance Company

In July 2004 all sixteen WTCS technical colleges created Districts Mutual Insurance Company (DMI). DMI is a fully-assessable mutual company authorized under Wisconsin statute 611 to provide property, casualty, and liability insurance and risk management services to its members. The scope of insurance protection provided by DMI is broad, covering property at \$500,225,000 per occurrence; general liability, auto, and educators' legal liability at \$5,000,000 per occurrence; and workers' compensation at the minimum 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 between \$2,500 and \$100,000 per occurrence depending on the type of coverage; 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 a budget, set policy, and control the financial affairs of the company.

During 2004-2008, all member colleges were assessed an annual premium that included a capitalization component to establish reserves for the company. Since inception, members have provided capital contributions of \$4,484,665. Future premiums will be based on relevant rating exposure bases as well as the historical loss experience by members. DMI's ongoing operational expenses, other than loss adjustment expenses, are allocated to participants based on equity interest in the company.

For the year ended June 30, 2019, the District paid a total premium of \$270,759, which included no capitalization component. For 2018 total premiums were \$260,802 which included no capitalization component.

Audited financial statements for DMI can be obtained from Districts Mutual Insurance Company, 212 W. Pinehurst Trail, Dakota Dunes, SD 57049.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE G: RISK MANAGEMENT (Continued)

Supplemental Insurance

In July 1997, the WTCS technical colleges formed the WTCS Insurance Trust to jointly purchase commercial insurance to provide coverage for losses from theft of, damages 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. Members include all sixteen Wisconsin Technical College System districts.

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

- Foreign liability: \$1,000,000 aggregate general; \$1,000,000 auto per accident; \$1,000,000 employee benefits; includes benefit for accidental death and dismemberment, repatriation, and medical expenses; \$1,000 deductible for employee benefits.
- Crime: \$750,000 coverage for employee dishonesty, forgery, computer fraud, funds transfer fraud, theft, robbery, burglary, disappearance and destruction of money and securities; \$25,000 coverage for investigation expenses; \$2,500 deductible for investigation; \$10,000 deductible for employee dishonesty, forgery, and fraud.
- Business travel accident insurance: Coverage for local board of director members. \$1,000,000 aggregate, \$100,000 for scheduled losses, exposure and disappearance coverage.

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

NOTE H: JOINT VENTURE

The District has implemented a computerized library database through a joint venture with Gateway and Waukesha County (WCTC) Technical Colleges by forming the Wisconsin Public Access Library System (WISPALS) in the fall of 1989. Since 1997 and as of June 30, 2016, eight additional technical colleges have joined. WISPALS is governed by the eleven colleges' presidents and librarians with each college having an equal vote. Through the joint venture each college owns one-eleventh of the computer hardware and software that comprises WISPALS; however, the computer hardware and software is permanently housed at WCTC's Pewaukee campus.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE H: JOINT VENTURE (Continued)

The District's share of the operating costs was \$80,786 and \$70,178 for the years ended June 30, 2019 and 2018, respectively. The fund balance for the joint venture increased \$10,608 in the current year. WISPALS has no joint venture debt outstanding.

The WISPALS financial statements can be obtained through WiLS, 1360 Regent Street, Madison, WI 53715.

NOTE I: COMMITMENTS AND CONTINGENCIES

Intergovernmental awards received by the District are subject to audit and adjustment by the funding agency or their representatives. If grant revenues are received for expenditures which are subsequently disallowed, the District may be required to repay the revenues to the funding agency. In the opinion of management, liabilities resulting from such disallowed expenditures, if any, will not be material to the accompanying financial statements at June 30, 2019.

The District has commitments for capital projects as of June 30, 2019 totaling \$1,619,313. As of June 30, 2018, the commitments for capital projects were \$715,914.

The District has operating leases which are year-to-year agreements for instructional facilities and equipment. Rent expense under all operating leases for the years ended June 30, 2019 and 2018 was \$85,518 and \$87,571, respectively.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE J: EXPENSE CLASSIFICATION

Expenses on the Statements of Revenues, Expenses, and Changes in Net Position are classified by function. Alternatively, the expenses could also be shown by type of expense as follows for the years ended June 30, 2019 and June 30, 2018:

	<u>2019</u>	<u>2018</u>
Salaries and wages	\$28,799,892	\$ 28,559,679
Fringe benefits	12,975,059	10,319,454
Travel, memberships, and subscriptions	722,155	734,012
Supplies, printing, and minor equipment	1,575,041	2,306,868
Contracted services	6,106,668	7,907,864
Rentals, repairs, and maintenance	508,170	943,648
Credit	67,927	80,152
Insurance	286,198	256,996
Utilities	954,014	896,524
Depreciation	3,206,426	3,094,715
Student aid	4,714,801	5,351,264
Other	574,125	557,191
Total operating expenses	<u>\$60,490,476</u>	<u>\$ 61,008,367</u>

NOTE K: UPCOMING ACCOUNTING PRONOUNCEMENTS

In January 2017, the GASB issued Statement No. 84, Fiduciary Activities. The statement establishes criteria for identifying fiduciary activities and addresses financial reporting for these activities. This statement is effective for reporting periods beginning after December 15, 2018. The District is currently evaluating the impact this standard will have on the financial statements when adopted.

In June 2017, the GASB issued Statement No. 87, Leases. The statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. This statement is effective for reporting periods beginning after December 15, 2019. The District is currently evaluating the impact this standard will have on the financial statements when adopted.

NOTE L: SUBSEQUENT EVENTS

In November 2019, the District issued \$4,125,000 of general obligation promissory notes for the purpose of financing building and improvement projects and the acquisition of moveable equipment.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE M: COMPONENT UNIT

This report contains the Moraine Park Technical College Foundation, Inc., which is include 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 fair presentation.

1. Cash and Investments

Investments at June 30, 2019 consist of the following:

	Cost	Fair Value	Excess of Fair Value Over Cost
Fixed income mutual funds	\$ 1,284,627	\$ 1,668,716	\$ 384,089
Equity mutual funds	695,988	904,081	208,093
	\$ 1,980,615	2,572,797	\$ 592,182
Bank deposits		785,425	
Total Cash and Investments		\$ 3,358,222	

Investments at June 30, 2018 consist of the following:

	Cost	Fair Value	Excess of Fair Value Over Cost
Fixed income mutual funds	\$ 754,120	\$ 1,030,952	\$ 239,039
Equity mutual funds	579,190	791,806	164,948
	\$ 1,333,310	1,822,758	\$ 403,987
Bank deposits		776,793	
Total Cash and Investments		\$ 2,599,551	

The Foundation maintains its bank accounts at a financial institution in the Fond du Lac area. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per insured depository institution. The Foundation's cash deposits may exceed these federally insured limits at times during the year. The Foundation has not experienced any losses on these accounts. Management believes the Foundation is not exposed to any significant credit risk on cash.

Moraine Park Technical College

Notes to Financial Statements For the Years Ended June 30, 2019 and 2018

NOTE M: COMPONENT UNIT (Continued)

Investment return is comprised of the following for the years ended June 30:

	<u>2019</u>	<u>2018</u>
Investment interest and dividend income	\$ 96,808	\$ 57,417
Realized gains (losses) on sale of investments	7,918	109,973
Unrealized gains (losses)	29,952	(86,766)
Investment fees	<u>(14,537)</u>	<u>(12,007)</u>
	<u>\$ 120,141</u>	<u>\$ 68,617</u>

2. Net Assets

Net assets are classified as follows as of June 30:

	<u>2019</u>	<u>2018</u>
Without Donor Restrictions	\$ 625,855	\$ 556,552
With Donor Restrictions:		
Purpose Restrictions	1,167,902	926,086
Perpetual in Nature	<u>1,853,577</u>	<u>1,566,979</u>
Total With Donor Restrictions	<u>3,021,479</u>	<u>2,493,065</u>
Total Net Assets	<u>\$ 3,647,334</u>	<u>\$ 3,049,617</u>

REQUIRED SUPPLEMENTARY INFORMATION

Moraine Park Technical College

Required Supplementary Information Schedule of Changes in Net OPEB Liability and Related Ratios

Last 10 Fiscal Years

	2019	2018	2017
Total OPEB Liability			
Service cost	\$ 111,050	\$ 104,764	\$ 104,764
Interest	392,911	400,075	403,985
Benefit payments	(538,746)	(716,022)	(431,807)
Differences between expected and actual experience	(1,384,557)	-	-
Changes of assumptions	(312,692)	-	-
Net change in total OPEB liability	<u>(1,732,034)</u>	<u>(211,183)</u>	<u>76,942</u>
Total OPEB liability - beginning	<u>6,762,367</u>	<u>6,973,550</u>	<u>6,896,608</u>
Total OPEB liability - ending (a)	<u><u>\$ 5,030,333</u></u>	<u><u>\$ 6,762,367</u></u>	<u><u>\$ 6,973,550</u></u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 38,746	\$ 466,022	\$ 331,807
Net investment income	400,497	537,368	624,191
Benefit payments	(538,746)	(716,022)	(431,807)
Administrative expenses	(32,151)	(33,090)	(30,566)
Net change in plan fiduciary net position	<u>(131,654)</u>	<u>254,278</u>	<u>493,625</u>
Plan fiduciary net position - beginning	<u>6,756,171</u>	<u>6,501,893</u>	<u>6,008,268</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 6,624,517</u></u>	<u><u>\$ 6,756,171</u></u>	<u><u>\$ 6,501,893</u></u>
District's net OPEB liability (asset) - ending (a) - (b)	<u><u>\$ (1,594,184)</u></u>	<u><u>\$ 6,196</u></u>	<u><u>\$ 471,657</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	131.69%	99.91%	93.24%
Covered-employee payroll	\$ 26,255,847	\$ 15,533,473	\$ 15,533,473
District's net OPEB liability as a percentage of covered-employee payroll	-6.07%	0.04%	3.04%

* The amounts presented for each fiscal year were determined as of the current fiscal year end. Amounts for prior years were not available.

See Notes to Required Supplementary Information.

Moraine Park Technical College

Required Supplementary Information Schedule of Employer Contributions Other Post-Employment Benefits

Last 10 Fiscal Years

	2019	2018	2017
Actuarially determined contribution (ADC)	\$ 7,396	\$ 175,587	\$ 175,587
Contributions in relation to the ADC	38,746	466,022	331,807
Contribution deficiency (excess)	<u>\$ (31,350)</u>	<u>\$ (290,435)</u>	<u>\$ (156,220)</u>
 Covered-employee payroll	 \$ 26,255,847	 \$ 15,533,473	 \$ 15,533,473
 Contributions as a percentage of covered-employee payroll	 0.15%	 3.00%	 2.14%

Key Methods and Assumption Used to Calculate ADC

Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Asset valuation method	Market Value	Market Value	Market Value
Amortization method	30 Year Level Dollar	30 Year Level Dollar	30 Year Level Dollar
Discount rate	6.00%	6.00%	6.00%
Inflation	2.50%	2.50%	2.50%

* The amounts presented for each fiscal year were determined as of the current fiscal year end. Amounts for prior years were not available.

See Notes to Required Supplementary Information.

Moraine Park Technical College

Required Supplementary Information Schedule of Proportionate Share of the Net Pension Liability (Asset) Wisconsin Retirement System

Last 10 Fiscal Years*

Schedule of Proportionate Share of the Net Pension Liability (Asset)

Plan Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll (plan year)	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)
12/31/2014	0.18196942%	\$ (4,469,667)	\$ 24,821,863	18.01%	102.74%
12/31/2015	0.18232620%	2,962,723	26,489,426	11.18%	98.20%
12/31/2016	0.18078407%	1,490,092	25,814,375	5.77%	99.12%
12/31/2017	0.18080664%	(5,368,363)	26,361,476	20.36%	102.93%
12/31/2018	0.17761247%	6,318,895	27,183,685	23.25%	96.45%

Schedule of Contributions

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (fiscal year)	Contributions as a Percentage of Covered Payroll
6/30/2015	\$ 1,734,830	\$ 1,734,830	-	\$ 25,146,856	7.00%
6/30/2016	1,726,101	1,726,101	-	25,735,934	6.80%
6/30/2017	1,804,771	1,804,771	-	26,947,887	6.60%
6/30/2018	1,796,013	1,796,013	-	26,608,308	6.75%
6/30/2019	1,810,046	1,810,046	-	27,828,412	6.50%

See Notes to Required Supplementary Information.

Moraine Park Technical College

Notes to Required Supplementary Information For the Year Ended June 30, 2019

NOTE A: OTHER POSTEMPLOYMENT BENEFITS

There were no changes of benefit terms.

The District implemented GASB Statement No. 74, *Financial Reporting for Post-Employment Benefit Plans Other Than Pension Plans* and Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions* for the fiscal year ended June 30, 2017. Information for prior years is not available.

NOTE B: WISCONSIN RETIREMENT SYSTEM

There were no changes of benefit terms or assumptions for participating employer in WRS.

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.

SUPPLEMENTARY INFORMATION

The following supplementary information is provided to document Moraine Park Technical College's compliance with budgetary requirements. 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 college. At the end of this section is a reconciliation between the two methods.

GENERAL FUND

The General Fund is the operating fund of the District. It is used to account for all financial resources, except those accounted for in another fund.

Moraine Park Technical College

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - General Fund

For the year ended June 30, 2019

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
Revenues						
Local government - tax levy	\$ 11,070,068	\$ 11,097,131	\$ 11,072,940	\$ -	\$ 11,072,940	\$ (24,191)
Intergovernmental revenue						
State	24,697,792	24,614,515	24,667,926	-	24,667,926	53,411
Federal	20,000	20,000	9,272	-	9,272	(10,728)
Tuition and fees						
Statutory program fees	7,148,949	6,982,820	7,113,943	-	7,113,943	131,123
Material fees	372,600	372,600	385,543	-	385,543	12,943
Other student fees	895,537	1,102,952	1,070,898	-	1,070,898	(32,054)
Institutional	4,279,620	4,229,620	3,786,771	-	3,786,771	(442,849)
Total revenues	<u>48,484,566</u>	<u>48,419,638</u>	<u>48,107,293</u>	<u>-</u>	<u>48,107,293</u>	<u>(312,345)</u>
Expenditures						
Instruction	24,575,681	24,519,441	23,364,655	-	23,364,655	1,154,786
Instructional resources	1,909,235	2,089,859	2,089,859	-	2,089,859	-
Student services	6,518,882	6,719,097	6,407,972	(33,300)	6,374,672	344,425
General institutional	11,416,232	10,508,500	10,441,245	61,043	10,502,288	6,212
Physical plant	3,705,155	3,720,251	3,804,148	(83,897)	3,720,251	-
Total expenditures	<u>48,125,185</u>	<u>47,557,148</u>	<u>46,107,879</u>	<u>(56,154)</u>	<u>46,051,725</u>	<u>1,505,423</u>
Excess of revenues over expenditures	359,381	862,490	1,999,414	56,154	2,055,568	1,193,078
Other Financing Sources (Uses)						
Transfers in (out)	200,000	(1,550,000)	(1,550,000)	-	(1,550,000)	-
Net change in fund balance	559,381	(687,510)	449,414	56,154	505,568	1,193,078
Fund balance at July 1, 2018	12,805,902	12,442,032	12,634,870	(192,838)	12,442,032	-
Fund balance at June 30, 2019	<u>\$ 13,365,283</u>	<u>\$ 11,754,522</u>	<u>\$ 13,084,284</u>	<u>\$ (136,684)</u>	<u>\$ 12,947,600</u>	<u>\$ 1,193,078</u>
Fund balance						
Reserved for encumbrances			\$ 136,684			
Reserved for prepaid items			970,436			
Unreserved fund balance						
Designated for state aid fluctuations			355,563			
Designated for subsequent year			191,088			
Designated for subsequent years			202,780			
Designated for operations			11,227,733			
			<u>\$ 13,084,284</u>			

SPECIAL REVENUE AIDABLE FUND

The Special Revenue Aidable Fund is used to account for the proceeds and related financial activities of specific revenue sources (other than debt service, major capital projects, or expendable trusts) that are restricted to expenditures for designated purposes because of legal or regulatory provisions.

Moraine Park Technical College

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - Special Revenue Aidable Fund

For the year ended June 30, 2019

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
Revenues						
Local government - tax levy	\$ 293,170	\$ 293,170	\$ 293,170	\$ -	\$ 293,170	\$ -
Intergovernmental revenue						
State	1,405,421	1,405,421	1,657,406	-	1,657,406	251,985
Federal	980,253	1,349,728	1,024,860	-	1,024,860	(324,868)
Institutional	145,000	145,000	367,387	-	367,387	222,387
Total revenues	<u>2,823,844</u>	<u>3,193,319</u>	<u>3,342,823</u>	<u>-</u>	<u>3,342,823</u>	<u>149,504</u>
Expenditures						
Instruction	1,664,457	1,957,143	1,957,143	-	1,957,143	-
Student services	1,104,967	1,181,756	1,181,756	-	1,181,756	-
General institutional	54,420	54,420	49,657	-	49,657	4,763
Total expenditures	<u>2,823,844</u>	<u>3,193,319</u>	<u>3,188,556</u>	<u>-</u>	<u>3,188,556</u>	<u>4,763</u>
Net change in fund balance	-	-	154,267	-	154,267	154,267
Fund balance at July 1, 2018	811,371	889,142	889,142	-	889,142	-
Fund balance at June 30, 2019	<u>\$ 811,371</u>	<u>\$ 889,142</u>	<u>\$ 1,043,409</u>	<u>\$ -</u>	<u>\$ 1,043,409</u>	<u>\$ 154,267</u>
Fund balance						
Designated for subsequent year			<u>\$ 1,043,409</u>			

SPECIAL REVENUE NON-AIDABLE FUND

The Special Revenue Non-Aidable Fund is used to account for expendable trust funds held by the District in a trustee/agent capacity, primarily for student activities and financial aid.

Moraine Park Technical College

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Special Revenue Non-Aidable Fund

For the year ended June 30, 2019

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
Revenues						
Local government - tax levy	\$ 72,300	\$ 72,300	\$ 72,300	\$ -	\$ 72,300	\$ -
Intergovernmental revenue						
State	745,550	745,550	856,873	-	856,873	111,323
Federal	8,337,250	8,337,250	7,188,477	-	7,188,477	(1,148,773)
Institutional	298,000	298,000	378,203	-	378,203	80,203
Total revenues	<u>9,453,100</u>	<u>9,453,100</u>	<u>8,495,853</u>	<u>-</u>	<u>8,495,853</u>	<u>(957,247)</u>
Expenditures						
Student services	<u>9,453,100</u>	<u>9,453,100</u>	<u>8,490,849</u>	<u>-</u>	<u>8,490,849</u>	<u>962,251</u>
Net change in fund balance	-	-	5,004	-	5,004	5,004
Fund balance at July 1, 2018	<u>94,652</u>	<u>109,974</u>	<u>109,974</u>	<u>-</u>	<u>109,974</u>	<u>-</u>
Fund balance at June 30, 2019	<u>\$ 94,652</u>	<u>\$ 109,974</u>	<u>\$ 114,978</u>	<u>\$ -</u>	<u>\$ 114,978</u>	<u>\$ 5,004</u>
Fund balance						
Reserved for student financial assistance			<u>\$ 114,978</u>			

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of capital facilities and major equipment other than those financed by the Enterprise and Internal Service funds.

Moraine Park Technical College

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - Capital Projects Fund

For the year ended June 30, 2019

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
Revenues						
Local government - tax levy	\$ 8,734	\$ 8,734	\$ 8,734	\$ -	\$ 8,734	\$ -
Intergovernmental revenue						
State	129,070	129,070	127,739	-	127,739	(1,331)
Federal	7,906	7,906	38,739	-	38,739	30,833
Institutional	50,000	437,153	437,153	-	437,153	-
Total revenues	<u>195,710</u>	<u>582,863</u>	<u>612,365</u>	<u>-</u>	<u>612,365</u>	<u>29,502</u>
Expenditures						
Instruction	911,361	911,361	891,826	(1,728)	890,098	21,263
Instructional resources	714,113	896,655	896,655	-	896,655	-
Student services	28,700	28,700	47,003	(18,470)	28,533	167
General institutional	3,092,966	3,373,656	3,019,408	354,248	3,373,656	-
Physical plant	4,674,435	4,474,435	2,873,699	569,349	3,443,048	1,031,387
Total expenditures	<u>9,421,575</u>	<u>9,684,807</u>	<u>7,728,591</u>	<u>903,399</u>	<u>8,631,990</u>	<u>1,052,817</u>
Excess (deficiency) of revenues over expenditures	<u>(9,225,865)</u>	<u>(9,101,944)</u>	<u>(7,116,226)</u>	<u>(903,399)</u>	<u>(8,019,625)</u>	<u>1,082,319</u>
Other Financing Sources						
Long-term debt issued	6,255,000	6,255,000	6,015,000	-	6,015,000	240,000
Transfers in	-	1,500,000	1,500,000	-	1,500,000	-
Total other financing sources	<u>6,255,000</u>	<u>7,755,000</u>	<u>7,515,000</u>	<u>-</u>	<u>7,515,000</u>	<u>240,000</u>
Net change in fund balance	(2,970,865)	(1,346,944)	398,774	(903,399)	(504,625)	1,322,319
Fund balance at July 1, 2018	10,126,693	10,514,385	11,230,299	(715,914)	10,514,385	-
Fund balance at June 30, 2019	<u>\$ 7,155,828</u>	<u>\$ 9,167,441</u>	<u>\$ 11,629,073</u>	<u>\$ (1,619,313)</u>	<u>\$ 10,009,760</u>	<u>\$ 1,322,319</u>
Fund balance						
Reserved for encumbrances			\$ 1,619,313			
Reserved for equipment			1,406,063			
Reserved for capital projects			<u>8,603,697</u>			
			<u>\$ 11,629,073</u>			

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources and the payment of principal and interest on long-term general obligation debt.

Moraine Park Technical College

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - Debt Service Fund

For the year ended June 30, 2019

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
Revenues						
Local government - tax levy	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ -	\$ 5,500,000	\$ -
Institutional	50,000	182,764	40,521	-	40,521	(142,243)
Total revenues	<u>5,550,000</u>	<u>5,682,764</u>	<u>5,540,521</u>	<u>-</u>	<u>5,540,521</u>	<u>(142,243)</u>
Expenditures						
Physical plant	<u>5,719,604</u>	<u>5,731,026</u>	<u>5,731,026</u>	<u>-</u>	<u>5,731,026</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(169,604)	(48,262)	(190,505)	-	(190,505)	(142,243)
Other financing sources						
Premiums on debt issued	-	-	142,243	-	142,243	(142,243)
Net change in fund balance	(169,604)	(48,262)	(48,262)	-	(48,262)	(142,243)
Fund balance at July 1, 2018	<u>1,084,480</u>	<u>1,116,309</u>	<u>1,116,309</u>	<u>-</u>	<u>1,116,309</u>	<u>-</u>
Fund balance at June 30, 2019	<u>\$ 914,876</u>	<u>\$ 1,068,047</u>	<u>\$ 1,068,047</u>	<u>\$ -</u>	<u>\$ 1,068,047</u>	<u>\$ (142,243)</u>
Fund balance Reserved for debt service			<u>\$ 1,068,047</u>			

ENTERPRISE FUNDS

The Enterprise Funds are used to account for operations that provide services which are financed primarily by user charges or activities where periodic measurement of net income is appropriate for capital maintenance, public policy, management control, or other purposes. The District's enterprise funds are used to account for the operations of the bookstore, vending machines, parts department, and other activities.

Moraine Park Technical College

Schedule of Revenues, Expenditures and Changes in Net Position - Budget and Actual (Non-GAAP Budgetary Basis) - Enterprise Fund

For the year ended June 30, 2019

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Adjustment to Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance</u>
Revenues						
Auxiliary revenue	\$ 146,800	\$ 209,504	\$ 209,504	\$ -	\$ 209,504	\$ -
Expenditures						
Auxiliary services	301,282	351,795	351,795	-	351,795	-
Change in net position	(154,482)	(142,291)	(142,291)	-	(142,291)	-
Net position at July 1, 2018	<u>1,743,551</u>	<u>1,643,860</u>	<u>1,643,860</u>	-	<u>1,643,860</u>	-
Net position at June 30, 2019	<u>\$ 1,589,069</u>	<u>\$ 1,501,569</u>	<u>\$ 1,501,569</u>	<u>\$ -</u>	<u>\$ 1,501,569</u>	<u>\$ -</u>
Net position Unrestricted			<u>\$ 1,501,569</u>			

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District on a cost reimbursement basis. At present, the District has two Internal Service Funds. One is used to account for the transactions of the District's self-insured employee health, dental, and vision coverage programs. The other accounts for all costs associated with copiers and usage by District departments.

Moraine Park Technical College

Schedule of Revenues, Expenditures and Changes in Net Position - Budget and Actual (Non-GAAP Budgetary Basis) - Internal Service Fund

For the year ended June 30, 2019

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
Revenues						
Auxiliary revenue	\$ 553,140	\$ 606,843	\$ 606,843	\$ -	\$ 606,843	\$ -
Expenditures						
Auxiliary services	1,119,637	1,201,029	1,201,029	-	1,201,029	-
Excess (deficiency) of revenues over expenditures	(566,497)	(594,186)	(594,186)	-	(594,186)	-
Other Financing Sources (Uses)						
Transfer in (out)	(200,000)	50,000	50,000	-	50,000	-
Net change in position	(766,497)	(544,186)	(544,186)	-	(544,186)	-
Net position at July 1, 2018	3,828,073	2,694,351	2,694,351	-	2,694,351	-
Net position at June 30, 2019	<u>\$ 3,061,576</u>	<u>\$ 2,150,165</u>	<u>\$ 2,150,165</u>	<u>\$ -</u>	<u>\$ 2,150,165</u>	<u>\$ -</u>
Net position Unrestricted			<u>\$ 2,150,165</u>			

Moraine Park Technical College

Schedule to Reconcile Budget (Non-GAAP Budgetary Basis) Financial Statements to Basic Financial Statements

For the year ended June 30, 2019

	General Fund	Special Revenue Aidable Fund	Special Revenue Non-Aidable Fund	Capital Projects Fund	Debt Service Fund	Enterprise Funds	Internal Service Funds	Total	Reconciling Items	Statement of revenues, expenses, and changes in net position
Revenues										
Local government - tax levy	\$ 11,072,940	\$ 293,170	\$ 72,300	\$ 8,734	\$ 5,500,000	\$ -	\$ -	\$ 16,947,144	\$ -	\$ 16,947,144
Intergovernmental revenue										
State	24,667,926	1,657,406	856,873	127,739	-	-	-	27,309,944	-	27,309,944 (1)
Federal	9,272	1,024,860	7,188,477	38,739	-	-	-	8,261,348	-	8,261,348 (2)
Tuition and fees										
Statutory program fees	7,113,943	-	-	-	-	-	-	7,113,943	(3,114,628)	3,999,315
Material fees	385,543	-	-	-	-	-	-	385,543	(168,799)	216,744
Other student fees	1,070,898	-	-	-	-	-	-	1,070,898	(468,861)	602,037
Institutional	3,786,771	367,387	378,203	437,153	40,521	-	-	5,010,035	94,894	5,104,929 (3)
Auxiliary revenue	-	-	-	-	-	209,504	606,843	816,347	(606,843)	209,504
Total revenues	48,107,293	3,342,823	8,495,853	612,365	5,540,521	209,504	606,843	66,915,202	(4,264,237)	62,650,965
Expenditures										
Instruction	23,364,655	1,957,143	-	890,098	-	-	-	26,211,896	804,671	27,016,567
Instructional resources	2,089,859	-	-	896,655	-	-	-	2,986,514	(743,097)	2,243,417
Student services	6,374,672	1,181,756	8,490,849	28,533	-	-	-	16,075,810	(7,960,196)	8,115,614
General institutional	10,502,288	49,657	-	3,373,656	-	-	-	13,925,601	(3,191,389)	10,734,212
Physical plant	3,720,251	-	-	3,443,048	5,731,026	-	-	12,894,325	(7,958,448)	4,935,877 (4)
Auxiliary services	-	-	-	-	-	351,795	1,201,029	1,552,824	(1,202,827)	349,997
Depreciation	-	-	-	-	-	-	-	-	3,206,426	3,206,426
Student aid	-	-	-	-	-	-	-	-	4,714,801	4,714,801
Total expenditures	46,051,725	3,188,556	8,490,849	8,631,990	5,731,026	351,795	1,201,029	73,646,970	(12,330,059)	61,316,911
Excess (deficiency) of revenues over expenditures	2,055,568	154,267	5,004	(8,019,625)	(190,505)	(142,291)	(594,186)	(6,731,768)	8,065,822	1,334,054
Other Financing Sources (Uses)										
Transfers in (out)	(1,550,000)	-	-	1,500,000	-	-	50,000	-	-	-
Premiums on debt issued	-	-	-	-	142,243	-	-	142,243	(142,243)	-
Long term debt issued	-	-	-	6,015,000	-	-	-	6,015,000	(6,015,000)	-
Total other financing sources (uses)	(1,550,000)	-	-	7,515,000	142,243	-	50,000	6,157,243	(6,157,243)	-
Net change in fund balance/net position	505,568	154,267	5,004	(504,625)	(48,262)	(142,291)	(544,186)	(574,525)	1,908,579	1,334,054
Fund balances/net position at July 1, 2018	12,442,032	889,142	109,974	10,514,385	1,116,309	1,643,860	2,694,351	29,410,053	34,893,270	64,303,323
Fund balance/net position at June 30, 2019	\$ 12,947,600	\$ 1,043,409	\$ 114,978	\$ 10,009,760	\$ 1,068,047	\$ 1,501,569	\$ 2,150,165	\$ 28,835,528	\$ 36,801,849	\$ 65,637,377 (5)

Moraine Park Technical College

Schedule to Reconcile Budget (Non-GAAP Budgetary) Basis Financial Statements to Basic Financial Statements For the Year Ended June 30, 2019

BUDGETS AND BUDGETARY ACCOUNTING

The District's fund structure used in preparing the basic financial statements is different than the fund structure used for budgetary accounting. 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 annual budgets for all funds in accordance with legal requirements.

- Annual budget requests by departments are submitted to the President's Cabinet during January. After all the requests are reviewed, the President submits the proposed budget to the District Board.
- Public hearings are conducted on the proposed budget prior to District Board approval.
- In accordance with State Statute 38.12, the budget is legally enacted through approval by the District Board prior to July 1.
- Budget amendments made during the year are legally authorized by the District Board. Budget transfers (between funds and functional areas within funds) and changes in budgeted revenues and expenditures (appropriations) require approval by a vote of two thirds of the entire membership of the District Board and public notice published in the District's official newspaper within 10 days according to Wisconsin Statutes.
- Management exercises control over budgeted expenditures by fund and function (e.g., instruction, instructional resources, student services, etc.), as presented in the accompanying financial statements. Expenditures may not exceed funds available or appropriated. Unused appropriations lapse at the end of each fiscal year.

Moraine Park Technical College

Schedule to Reconcile Budget (Non-GAAP Budgetary) Basis Financial Statements to Basic Financial Statements For the Year Ended June 30, 2019

BUDGETS AND BUDGETARY ACCOUNTING (Continued)

Formal budgetary integration is employed as a planning device for all funds. MPTC adopts an annual operating budget that is prepared on a different basis from the basic financial statements. The budget differs from GAAP by recognizing encumbrances as expenditures and property taxes levied that relate to debt service funding for the subsequent year as revenue. Also, the budget does not incorporate changes related to GASB Statement Nos. 34, 35, 37, and 38 as listed previously in Note A to the financial statements.

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

Operating revenues	\$ 2,561,334
Non-operating	
State operating appropriations	24,620,871
Capital contributions (state portion)	<u>127,739</u>
Total	<u>\$ 27,309,944</u>

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

Operating	\$ 8,222,609
Capital contributions (federal portion)	<u>38,739</u>
Total	<u>\$ 8,261,348</u>

Moraine Park Technical College

Schedule to Reconcile Budget (Non-GAAP Budgetary) Basis Financial Statements to Basic Financial Statements For the Year Ended June 30, 2019

BUDGETS AND BUDGETARY ACCOUNTING (Continued)

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

Contact revenue	\$ 3,487,693
Miscellaneous	718,121
Investment income earned	<u>899,115</u>
	<u>\$ 5,104,929</u>

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

Physical plant	\$ 4,109,442
Loss on disposal of capital assets	312,898
Interest expense	<u>513,537</u>
	<u>\$ 4,935,877</u>

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

Budgetary basis fund balance / net position	\$ 28,835,528
General capital assets capitalized at cost	98,319,369
Accumulated depreciation on general capital assets	(40,815,737)
Net pension liability	(6,318,895)
Deferred outflows and inflows related to pension	7,577,692
General obligation notes payable	(24,245,000)
Unamortized premium on debt	(201,480)
Deposit with WTCEBC	636,818
Accrued interest on notes payable	(125,841)
Long-term OPEB asset	1,594,184
Deferred inflows related to OPEB	(1,375,258)
Encumbrances outstanding at year end	<u>1,755,997</u>
Net position per basic financial statement	<u>\$ 65,637,377</u>

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STATISTICAL SECTION



The statistical section of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health. The information was prepared by the District and was not subject to audit by the independent certified public accounting firm.

The statistical section contains information related to the following categories:

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed.

Revenue Capacity

These schedules contain information to aid the reader in assessing the District's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

Moraine Park Technical College District

Net Position by Component

Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013 (Restated)</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Net investment in capital assets	\$36,996,038	\$33,901,478	\$29,493,861	\$30,726,550	\$ 34,862,712	\$ 27,997,249	\$ 26,031,176	\$ 23,815,330	\$ 22,392,527	\$ 21,169,867
Restricted for debt service	942,206	987,821	908,618	753,997	697,232	482,863	348,351	257,862	135,494	200,811
Restricted for net pension / OPEB asset	1,594,184	5,368,363	-	5,587,455	4,469,667	-	-	-	-	-
Unrestricted	<u>26,104,949</u>	<u>24,045,661</u>	<u>33,340,117</u>	<u>33,784,702</u>	<u>28,743,882</u>	<u>26,354,804</u>	<u>25,335,199</u>	<u>25,134,759</u>	<u>25,357,216</u>	<u>23,321,996</u>
Total Net Position	<u>\$ 65,637,377</u>	<u>\$ 64,303,323</u>	<u>\$ 63,742,596</u>	<u>\$ 70,852,704</u>	<u>\$ 68,773,493</u>	<u>\$ 54,834,916</u>	<u>\$ 51,714,726</u>	<u>\$ 49,207,951</u>	<u>\$ 47,885,237</u>	<u>\$ 44,692,674</u>

Moraine Park Technical College District

Changes in Net Position

Last Ten Fiscal Years

	2019	2018	2017	2016	2015	2014	2013 (Restated)	2012	2011	2010
Operating Revenues										
Student program fees, net of scholarship allowances	\$ 3,999,315	\$ 3,792,255	\$ 3,871,570	\$ 3,851,111	\$ 3,859,611	\$ 3,737,760	\$ 3,840,830	\$ 3,910,248	\$ 4,443,515	\$ 5,043,326
Student material fees, net of scholarship allowances	216,744	202,902	208,430	218,841	207,385	206,951	215,970	222,027	254,516	290,024
Other student fees, net of scholarship allowances	602,037	618,411	412,009	512,883	524,063	457,543	478,855	509,948	587,976	717,727
Federal grants	8,222,609	9,235,815	10,215,356	11,147,661	11,960,713	12,508,216	12,786,015	14,078,300	15,390,614	12,577,041
State grants	2,561,334	2,162,387	1,748,251	2,611,428	2,500,094	2,054,963	1,946,266	1,602,153	1,594,831	1,649,303
Contract revenue	3,487,693	3,235,300	3,635,170	3,532,604	3,393,497	3,422,878	3,247,325	2,959,294	2,861,942	3,024,552
Auxiliary enterprise revenues	209,504	203,489	179,828	191,898	591,036	2,444,915	2,412,418	2,606,817	2,961,871	3,241,917
Miscellaneous	718,121	622,765	981,197	966,219	921,840	1,106,235	983,655	860,502	1,065,326	709,701
Total operating revenues	<u>20,017,357</u>	<u>20,073,324</u>	<u>21,251,811</u>	<u>23,032,644</u>	<u>23,958,239</u>	<u>25,939,461</u>	<u>25,911,334</u>	<u>26,749,289</u>	<u>29,160,591</u>	<u>27,253,591</u>
Operating expenses										
Instruction	27,016,567	25,558,325	26,822,223	26,917,639	25,145,873	25,160,313	26,336,097	26,729,423	27,228,728	26,909,652
Instructional resources	2,243,417	2,417,809	2,264,703	2,296,409	1,804,787	2,310,329	1,920,013	2,008,717	2,363,444	2,117,607
Student services	8,115,614	7,615,385	7,412,533	7,073,692	6,496,873	6,272,598	6,179,774	6,416,632	6,463,390	5,528,914
General institutional	10,734,212	11,444,378	12,058,638	11,436,696	10,013,357	10,752,146	11,122,967	11,180,309	11,188,398	11,395,594
Physical plant	4,109,442	5,087,878	4,998,626	3,925,883	3,162,981	4,101,860	3,812,120	3,846,962	3,854,442	4,158,279
Auxiliary enterprise services	349,997	438,617	311,669	341,809	265,843	2,417,417	2,439,387	2,614,739	2,925,760	2,941,473
Depreciation	3,206,426	3,094,714	3,007,955	2,887,720	2,699,872	2,783,757	2,305,394	2,230,649	2,117,849	2,028,612
Student aid	4,714,801	5,351,261	5,863,123	6,248,512	7,038,024	7,507,330	7,948,743	8,598,564	8,930,216	7,130,490
Total operating expenses	<u>60,490,476</u>	<u>61,008,367</u>	<u>62,739,470</u>	<u>61,128,360</u>	<u>56,627,610</u>	<u>61,305,750</u>	<u>62,064,495</u>	<u>63,625,995</u>	<u>65,072,227</u>	<u>62,210,621</u>
Operating loss	(40,473,119)	(40,935,043)	(41,487,659)	(38,095,716)	(32,669,371)	(35,366,289)	(36,153,161)	(36,876,706)	(35,911,636)	(34,957,030)
Non-operating revenues (expenses)										
Property taxes	16,947,144	16,747,140	16,248,494	16,182,316	15,981,243	36,397,241	36,465,081	35,959,981	36,059,442	35,073,334
State operating appropriations	24,620,871	24,505,199	24,962,606	24,093,314	24,202,382	3,114,310	3,023,949	2,935,635	4,203,845	4,697,471
Gain/(loss) on sale of capital assets	(312,898)	(77,755)	(172,730)	(42,835)	(1,373,276)	(807,207)	(241,381)	(173,901)	(593,068)	(34,205)
Investment income earned	899,115	295,574	248,528	131,363	112,696	84,104	88,969	83,418	94,368	112,259
Interest expense	(513,537)	(519,101)	(483,160)	(494,496)	(525,375)	(541,278)	(599,067)	(685,715)	(845,018)	(883,834)
Total non-operating revenues	<u>41,640,695</u>	<u>40,951,057</u>	<u>40,803,738</u>	<u>39,869,662</u>	<u>38,397,670</u>	<u>38,247,170</u>	<u>38,737,551</u>	<u>38,119,418</u>	<u>38,919,569</u>	<u>38,965,025</u>
Income (loss) before capital contributions	1,167,576	16,014	(683,921)	1,773,946	5,728,299	2,880,881	2,584,390	1,242,712	3,007,933	4,007,995
Capital Contributions										
Capital contributions	-	353,400	-	-	-	-	-	-	-	-
Capital federal and state appropriations	166,478	191,313	49,608	305,265	173,467	239,309	110,520	80,002	184,630	516,596
Change in net position before special item	1,334,054	560,727	(634,313)	2,079,211	5,901,766	3,120,190	2,694,910	1,322,714	3,192,563	4,524,591
Cumulative effect of change in accounting principle (1)	-	-	(6,475,795)	-	8,116,811	-	(188,135)	-	-	-
CHANGE IN NET POSITION	<u>\$ 1,334,054</u>	<u>\$ 560,727</u>	<u>\$ (7,110,108)</u>	<u>\$ 2,079,211</u>	<u>\$ 14,018,577</u>	<u>\$ 3,120,190</u>	<u>\$ 2,506,775</u>	<u>\$ 1,322,714</u>	<u>\$ 3,192,563</u>	<u>\$ 4,524,591</u>

(1) The District implemented GASB 74 and 75 beginning with the fiscal year ended June 30, 2017, GASB 68 and 71 beginning with the fiscal year ended June 30, 2015 and GASB 65 beginning with the fiscal year ended June 30, 2013.

Moraine Park Technical College District

Equalized Value Of Taxable Property ^{(1) (2)}

For the Fiscal Years Ended June 30, 2009 to 2018

(Amounts in thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Real Estate:										
Residential	\$ 23,813,509	\$ 22,644,257	\$ 21,711,637	\$ 21,132,759	\$ 20,696,536	\$ 20,204,798	\$ 20,715,777	\$ 21,722,217	\$ 22,144,571	\$ 22,636,229
Commercial	4,832,859	4,632,684	4,374,887	4,292,737	4,149,245	4,151,058	4,161,536	4,203,614	4,235,850	4,375,567
Manufacturing	1,142,418	1,083,879	1,024,998	1,002,271	964,161	916,713	903,593	888,322	886,503	886,379
Agricultural and Other	1,374,849	1,358,664	1,353,021	1,332,430	1,319,045	1,271,591	1,249,240	1,246,917	1,261,612	1,269,118
Undeveloped	198,801	191,159	188,191	200,209	188,606	188,586	186,358	181,012	182,829	189,436
Forest	76,459	72,122	69,707	71,087	67,542	67,697	63,585	68,958	70,938	76,674
Total Real Estate	31,438,895	29,982,765	28,722,441	28,031,492	27,385,135	26,800,443	27,280,088	28,311,040	28,782,302	29,433,403
Total Personal Property	<u>455,149</u>	<u>688,627</u>	<u>663,622</u>	<u>455,392</u>	<u>636,710</u>	<u>610,082</u>	<u>637,151</u>	<u>617,015</u>	<u>644,507</u>	<u>672,637</u>
Total Real Estate and Personal Property	\$ 31,894,044	\$ 30,671,392	\$ 29,386,063	\$ 28,486,884	\$ 28,021,845	\$ 27,410,525	\$ 27,917,239	\$ 28,928,055	\$ 29,426,809	\$ 30,106,040
Total District Equalized Valuation	<u>\$ 26,665,325</u>	<u>\$ 25,744,398</u>	<u>\$ 24,732,391</u>	<u>\$ 24,072,618</u>	<u>\$ 23,002,044</u>	<u>\$ 22,513,821</u>	<u>\$ 22,821,371</u>	<u>\$ 23,617,194</u>	<u>\$ 24,060,945</u>	<u>\$ 24,599,146</u>
Total Direct Tax Rate	\$ 0.636	\$ 0.649	\$ 0.656	\$ 0.672	\$ 0.675	\$ 1.569	\$ 1.541	\$ 1.481	\$ 1.456	\$ 1.386

Notes:

(1) The District is comprised of all or the majority of four counties (Dodge, Fond du Lac, Green Lake, and Washington), which make up over 97% of the District's equalized valuation, and parts of six other counties (Calumet, Columbia, Marquette, Sheboygan, Waushara, and Winnebago). Real property values are presented for all of Dodge, Fond du Lac, Green Lake, and Washington counties. Therefore, the Total Real Estate and Personal Property will be greater than the Total District Equalized Valuation in which includes only the in-District valuation for the four counties.

(2) Due to varying assessment policies in the municipalities contained in the District, the District uses equalized value of taxable property for tax levy purposes. The equalized value of property approximates estimated actual (full) value of taxable property in the State of Wisconsin. The District Equalized Valuation is the equalized value of property, excluding tax incremental financing districts, within the District. Amount shown is for the four counties listed only.

Moraine Park Technical College District

Direct and Overlapping Property Tax Rates

Last Ten Years

(Rate per \$1,000 of Equalized Value)

	Calendar Year Taxes are Payable									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
District direct rates										
Operational	\$ 0.42945	\$ 0.43178	\$ 0.42942	\$ 0.42669	\$ 0.42112	\$ 1.30990	\$ 1.28490	\$ 1.24206	\$ 1.21929	\$ 1.15715
Debt Service	0.20626	0.217521	0.22642	0.24509	0.25356	0.25907	0.25572	0.23896	0.2366	0.22853
Total Direct Rate	0.63571	0.649305	0.65584	0.67178	0.67468	1.56897	1.54062	1.48102	1.45589	1.38568
Calumet County										
T Brothertown	19.76	19.64	20.15	20.82	21.11	21.25	21.39	20.48	20.11	19.31
T Charlestown	19.87	19.72	20.11	20.80	21.11	21.29	21.49	20.16	19.88	19.19
T New Holstein	18.28	17.87	18.23	18.80	18.42	18.01	18.14	17.65	17.60	16.69
C New Holstein	24.44	25.12	25.67	25.89	25.60	26.51	25.82	25.11	24.78	23.95
Columbia County										
T Marcellon	18.09	18.89	17.81	18.77	18.83	20.29	19.62	19.21	18.52	17.61
T Scott	18.62	18.99	18.48	18.04	17.75	19.92	19.41	19.24	18.66	17.33
Dodge County										
T Ashippun	17.74	18.17	18.58	18.98	19.12	20.61	20.77	19.66	19.15	18.27
T Beaver Dam	16.93	17.37	15.87	15.96	16.23	17.50	17.71	17.41	18.11	16.76
T Burnett	19.35	18.96	18.89	19.05	19.34	20.95	20.08	20.01	19.94	19.02
T Calamus	18.33	18.97	18.42	18.52	18.65	19.76	20.04	20.16	20.21	18.75
T Chester	17.66	18.03	18.45	18.89	18.84	20.32	19.90	19.11	19.17	17.32
T Clyman	19.09	20.08	20.90	21.05	21.15	22.04	21.43	21.14	21.12	19.99
T Elba	17.86	18.42	19.27	19.82	20.20	21.59	20.85	20.17	19.48	18.01
T Fox Lake	19.43	19.91	19.50	20.23	19.81	21.22	20.95	20.03	20.02	18.09
T Herman	17.65	17.99	17.72	18.91	19.58	21.42	21.02	20.58	20.50	19.00
T Hubbard	18.35	18.74	18.73	19.08	18.95	20.30	19.57	19.15	18.91	18.10
T Hustisford	17.86	18.69	19.96	19.60	19.55	20.82	19.91	19.20	19.12	18.38
T Lebanon	19.10	19.41	20.05	20.01	19.84	21.45	21.30	20.49	19.84	18.62
T Leroy	19.79	20.82	19.16	20.81	20.02	21.10	21.11	21.00	20.26	18.68
T Lomira	18.96	19.37	20.16	20.03	19.45	20.10	19.20	19.74	19.23	18.07
T Lowell	19.88	20.71	21.03	21.41	21.25	22.57	22.12	22.00	22.22	21.46
T Oak Grove	18.81	19.50	20.09	20.23	20.23	21.71	20.91	20.85	20.99	20.03
T Rubicon	17.57	17.90	17.82	18.27	18.11	18.93	19.52	19.27	19.74	18.62
T Shields	18.52	18.47	18.89	18.75	19.18	20.56	20.73	20.47	19.48	18.01
T Theresa	19.57	20.17	20.20	20.83	19.40	20.53	20.14	20.51	19.90	18.53
T Trenton	17.52	18.05	17.43	17.94	18.06	19.54	19.38	18.85	19.30	17.81
T Westford	18.16	19.02	18.30	18.45	17.40	18.27	18.56	18.13	18.28	17.05
T Williamstown	14.34	15.10	13.37	15.14	14.35	15.42	15.41	15.40	14.73	13.80
V Brownsville	20.94	20.55	22.65	22.49	21.27	22.22	21.61	21.77	21.23	19.72
V Clyman	28.90	30.00	30.51	30.82	30.93	31.69	30.26	29.74	30.13	28.32

Moraine Park Technical College District

Direct and Overlapping Property Tax Rates

Last Ten Years

(Rate per \$1,000 of Equalized Value)

	Calendar Year Taxes are Payable									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
V Hustisford	24.98	26.32	26.98	26.91	26.80	27.42	25.33	23.77	23.35	22.61
V Iron Ridge	22.40	21.75	21.03	21.22	21.32	23.22	21.87	21.72	21.39	20.93
V Kekoskee	16.36	18.10	16.16	17.99	17.10	18.10	18.04	17.79	17.18	16.35
V Lomira	22.37	23.02	24.01	22.97	21.63	22.47	21.95	22.81	22.01	20.43
V Lowell	25.76	27.46	27.59	28.92	29.17	28.80	27.74	27.50	25.94	26.68
V Neosho	21.00	21.41	20.41	21.12	21.35	22.29	21.61	21.11	20.61	19.86
V Reeseville	21.66	23.18	23.74	23.66	23.23	24.51	23.81	23.56	23.56	22.31
V Theresa	19.73	20.12	21.07	21.01	19.80	20.70	20.95	21.31	20.55	19.04
C Beaver Dam	25.16	26.09	24.47	24.61	25.00	25.36	25.16	24.32	24.64	22.41
C Fox Lake	25.65	24.97	25.54	26.64	26.70	28.95	29.58	28.55	26.51	24.17
C Hartford	21.08	21.80	22.39	22.91	22.69	23.67	24.51	23.81	24.51	22.99
C Horicon	28.16	25.85	26.74	26.20	26.28	28.23	25.90	26.39	25.66	24.40
C Juneau	26.51	27.85	28.90	29.27	28.83	29.93	28.96	28.72	27.68	26.20
C Mayville	24.16	25.81	24.34	26.28	24.95	25.81	25.59	24.85	24.07	22.74
C Waupun	22.95	23.25	23.07	23.75	23.78	25.59	24.41	23.40	23.63	21.68
Fond du Lac County										
T Alto	19.40	19.90	20.09	20.98	20.85	21.91	21.46	22.40	21.06	19.18
T Ashford	19.08	19.81	20.15	20.09	20.04	20.88	19.96	18.96	18.58	17.78
T Auburn	17.97	18.71	18.99	19.06	19.12	20.30	19.47	18.28	18.08	17.35
T Byron	18.78	19.65	20.03	20.14	19.69	20.37	19.93	19.48	19.08	17.63
T Calumet	17.60	17.95	18.52	19.09	18.63	19.48	18.85	18.38	18.34	17.59
T Eden	18.96	19.68	19.95	19.94	19.93	20.79	19.87	18.86	18.58	17.79
T Eldorado	18.69	19.24	19.15	19.46	19.73	21.03	21.57	19.37	20.55	20.03
T Empire	16.97	17.80	18.46	19.16	18.93	20.25	19.66	18.69	18.33	17.42
T Fond du Lac	18.18	18.94	19.38	19.99	19.75	21.02	20.70	19.97	19.95	18.50
T Forest	18.76	19.48	19.22	19.15	19.12	19.98	19.06	18.02	17.71	17.02
T Friendship	17.54	17.90	17.49	17.30	17.53	18.09	18.15	17.61	16.88	15.52
T Lamartine	19.40	20.44	20.24	20.25	20.57	21.33	21.69	20.08	20.53	19.23
T Marshfield	17.36	17.66	18.04	18.65	18.23	19.09	18.47	18.05	17.95	17.13
T Metomen	19.73	20.58	21.37	22.29	21.76	22.43	21.76	20.93	21.14	20.34
T Oakfield	20.28	21.62	21.15	21.34	21.78	22.02	22.32	21.41	20.85	19.12
T Osceola	18.85	19.14	19.42	19.32	19.36	20.14	19.22	18.21	17.90	17.02
T Ripon	20.97	21.60	22.59	24.00	23.95	24.08	23.45	23.32	22.99	21.84
T Rosendale	18.90	19.61	20.15	21.05	21.29	21.83	21.70	20.75	21.25	20.65
T Springvale	18.48	19.04	19.05	19.65	19.84	21.25	20.82	19.44	20.99	20.08
T Taycheedah	17.06	17.80	18.52	19.10	18.94	20.31	19.78	18.49	18.38	17.32
T Waupun	18.29	18.73	18.97	19.93	19.90	21.36	20.84	19.94	20.06	18.08
V Brandon	24.09	23.85	24.00	24.68	24.73	26.25	26.41	24.65	26.47	25.60
V Campbellsport	26.77	27.12	27.47	26.95	27.11	27.65	26.00	24.57	23.93	23.12

Moraine Park Technical College District

Direct and Overlapping Property Tax Rates

Last Ten Years

(Rate per \$1,000 of Equalized Value)

	Calendar Year Taxes are Payable									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
V of Eden	17.82	18.48	18.75	18.69	18.64	19.49	18.59	17.56	17.26	16.48
V Fairwater	21.99	24.11	24.75	23.80	24.27	26.47	26.51	25.13	24.53	21.14
V Mount Calvary	18.89	18.80	19.30	19.65	19.08	19.67	18.93	18.51	18.53	17.92
V North Fond du Lac	25.16	25.43	24.85	24.95	24.69	25.44	25.31	24.62	23.55	22.13
V Oakfield	24.37	25.91	25.54	25.59	25.80	25.99	26.45	25.33	25.75	23.53
V Rosendale	19.07	19.76	19.73	20.20	20.10	21.86	21.93	20.26	22.13	21.54
V Saint Cloud	20.75	21.24	22.01	22.53	21.97	22.88	22.21	21.63	21.52	21.34
C Fond du Lac	24.55	25.06	25.54	25.79	25.28	26.15	25.39	24.29	23.76	22.47
C Ripon	24.22	24.96	25.56	26.77	26.65	26.78	26.07	25.91	24.62	23.73
C Waupun	23.45	23.78	23.51	24.13	24.15	25.90	24.59	23.54	23.78	21.67
Green Lake County										
T Berlin	14.87	14.61	15.81	16.42	16.45	17.09	17.04	16.01	15.71	15.27
T Brooklyn	14.24	14.47	14.70	14.75	14.94	15.61	15.13	14.15	13.98	13.34
T Green Lake	16.79	17.37	17.74	17.79	18.29	19.30	19.15	17.50	16.96	15.84
T Kingston	19.99	20.84	21.16	21.07	21.77	23.89	23.70	21.95	21.32	20.00
T Mackford	19.48	20.29	20.71	20.83	21.51	23.84	23.94	22.25	21.67	20.18
T Manchester	18.82	19.52	19.93	19.97	20.44	22.72	22.69	20.97	20.36	18.84
T Marquette	18.80	19.60	19.57	19.63	20.09	22.03	21.85	20.07	19.47	18.34
T Princeton	16.00	16.58	16.71	17.97	16.87	18.33	18.05	16.26	15.64	15.29
T Saint Marie	17.47	18.30	17.72	18.99	17.85	19.44	19.20	17.51	16.91	16.53
T Seneca	17.36	17.11	18.33	18.89	18.94	19.61	19.54	18.45	18.14	17.67
V Kingston	21.79	21.55	21.69	21.79	22.48	24.36	24.36	22.73	22.03	20.59
V Marquette	19.86	20.69	20.60	20.72	21.39	23.25	23.18	21.49	20.16	19.00
C Berlin	23.87	23.71	25.19	25.96	25.85	26.21	25.97	24.58	24.31	23.80
C Green Lake	18.10	17.49	18.18	18.07	18.31	18.35	17.94	17.28	17.34	16.62
C Markesan	26.56	26.87	27.11	27.14	27.12	27.80	28.00	26.57	25.20	23.75
C Princeton	26.97	28.35	27.88	28.94	27.82	29.55	28.29	26.03	24.40	23.50
Marquette County										
T Buffalo	19.19	19.74	20.58	19.11	17.27	19.67	18.65	17.55	17.17	17.45
T Mecan	19.35	19.64	20.18	19.39	17.26	19.67	18.71	17.61	17.20	17.36
T Montello	19.11	19.68	20.48	19.09	17.20	19.59	18.57	17.59	17.21	17.40
T Neshkoro	18.39	23.09	18.43	19.60	17.62	20.30	19.24	18.11	18.23	16.63
Sheboygan County										
T Greenbush	15.36	15.64	16.21	16.47	16.44	17.91	17.26	16.46	16.23	15.15
T Russell	16.66	17.31	17.99	18.41	18.55	18.62	18.23	17.92	18.03	17.50
Washington County										
T Addison	13.92	14.56	15.25	15.57	15.70	17.63	17.34	16.70	16.65	15.89
T Barton	13.56	14.05	14.81	15.11	15.19	16.83	16.06	15.63	15.61	14.49

Moraine Park Technical College District

Direct and Overlapping Property Tax Rates

Last Ten Years

(Rate per \$1,000 of Equalized Value)

	Calendar Year Taxes are Payable									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
T Erin	13.33	13.17	14.05	14.56	14.83	16.38	15.94	15.79	16.42	15.67
T Farmington	13.08	13.77	14.15	14.40	14.48	16.36	15.59	14.64	14.81	14.25
T Hartford	13.46	14.02	14.81	15.36	15.49	17.11	17.00	16.57	16.54	15.72
T Jackson	13.71	13.97	14.56	14.89	15.10	16.78	16.56	16.12	16.24	15.16
T Kewaskum	13.91	14.60	14.99	15.40	15.60	17.50	16.89	15.97	16.08	15.51
T Polk	12.49	12.95	13.57	13.87	13.61	15.50	15.17	14.58	14.66	14.03
T Trenton	13.15	13.77	14.47	14.68	14.64	16.34	15.60	15.22	15.11	13.92
T Wayne	12.95	13.55	14.02	14.43	14.56	16.27	15.69	14.71	14.85	14.33
T West Bend	12.78	13.21	13.96	14.17	14.12	15.95	15.24	14.72	14.80	13.82
V Jackson	18.63	19.38	20.30	20.65	20.80	22.42	21.30	20.56	20.16	18.71
V Kewaskum	18.60	19.06	19.58	19.86	19.80	21.70	20.97	19.57	19.58	19.02
V Newburg	19.09	19.63	20.16	20.29	20.36	21.86	19.17	19.13	18.55	17.53
V Richfield	14.25	13.89	14.56	14.89	15.35	16.84	16.87	16.69	17.03	16.18
V Slinger	16.60	17.16	17.80	19.40	19.71	21.49	21.05	20.25	20.20	19.11
C Hartford	17.76	18.49	19.54	20.11	20.21	21.80	21.67	21.13	21.05	19.74
C West Bend	18.81	19.12	20.34	20.70	20.71	22.38	21.77	21.16	21.26	19.73
Waushara County										
T Aurora	18.09	17.77	19.16	19.56	19.34	19.85	19.63	18.99	18.58	18.07
T Bloomfield	18.97	19.07	17.68	18.16	18.38	19.32	18.96	17.79	17.53	17.49
T Leon	16.90	17.18	18.11	18.29	18.35	18.97	18.57	18.08	17.41	17.12
T Marion	17.09	17.39	18.53	18.52	18.67	19.20	18.55	18.09	17.01	16.93
T Poy Sippi	17.50	17.16	18.54	18.97	19.07	19.58	19.33	18.72	18.30	17.76
T Saxeville	17.73	18.08	18.28	18.57	18.70	19.29	18.90	18.35	17.85	17.47
T Warren	17.80	17.71	18.98	20.76	20.81	19.75	19.45	18.87	18.18	17.85
C Berlin	24.45	24.23	25.87	26.44	26.38	26.57	26.17	25.23	24.86	24.29
Winnebago County										
T Nekimi	16.67	17.85	18.72	18.32	18.64	18.85	18.81	18.28	18.58	17.41
T Nepeuskun	18.51	18.89	20.01	21.05	21.19	21.78	22.00	21.65	21.47	20.89
T Rushford	18.59	18.43	19.04	19.15	19.08	20.32	20.87	20.68	19.80	18.82
T Utica	18.56	19.25	20.15	20.65	20.91	21.64	21.82	21.35	20.06	18.89

Source: Town, Village, and City Taxes, Wisconsin Department of Revenue

- Notes:**
- (1) The operational property tax levies for all District funds except the debt service fund. Prior to 2014, the operational rate could not exceed \$1.50.
 - (2) Tax rates shown for overlapping governments are the Full Value Rates - Gross. This rate is the total property tax divided by the full value of all taxable general property in the municipality, excluding tax incremental financing (TIF) districts. Total property tax includes state taxes and special charges on counties and tax districts, state trust fund loans, general county and county special purpose taxes, local taxes, county special charges, special purpose district taxes, and school taxes (elementary, secondary, and technical college). It reflects the amount of surplus funds applied (if any) by a tax district to reduce any of the above appointments or charges. It does not include special assessments and charges to individuals, delinquent taxes, omitted taxes, forest crop taxes, managed forest land taxes, or occupational taxes.

Moraine Park Technical College District

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 35,016,845	\$ 25,123,660	71.75%	\$ 9,893,185	\$ 35,016,845	100.00%
2011	35,997,317	25,935,809	72.05%	10,061,508	35,997,317	100.00%
2012	35,947,317	26,137,048	72.71%	9,810,269	35,947,317	100.00%
2013	36,147,317	26,513,344	73.35%	9,633,973	36,147,317	100.00%
2014	36,337,317	26,703,344	73.49%	9,633,973	36,337,317	100.00%
2015	15,965,042	11,762,876	73.68%	4,202,166	15,965,042	100.00%
2016	16,171,556	11,892,410	73.54%	4,279,146	16,171,556	100.00%
2017	16,220,503	12,107,625	74.64%	4,112,878	16,220,503	100.00%
2018	16,715,975	12,610,939	75.44%	4,105,036	16,715,975	100.00%
2019	16,915,335	12,647,484	74.77%	-	12,647,484	74.77%

Note: Under Wisconsin law, personal property taxes and first installment real estate taxes are collected by city, village, and town treasurers/clerks, who then make settlement with the county treasurer for certain purposes. Second installment real estate taxes and delinquent taxes are collected by the county treasurer who then makes settlement with city, village, and town treasurers/clerks before retaining any for county purposes. In practice, any delinquent real estate taxes are withheld from the county's share. Therefore, the District will receive 100% of its levy upon receipt of the final settlement from the county treasurer.

Moraine Park Technical College District

Principal Property Taxpayers

Current Year and Nine Years Ago

Name of Business	Type of Business	Year Ended June 30, 2019			Year Ended June 30, 2010		
		2018 Equalized Valuation	Rank	Percent of MPTC Total Equalized Valuation	2009 Equalized Valuation	Rank	Percent of MPTC Total Equalized Valuation
Wal-Mart Stores	Retail	\$ 91,939,078	1	0.33%	\$ 94,076,881	1	0.36%
Grande Cheese Company	Cheese Manufacturer	66,368,886	2	0.24%	-		-
West Bend Mutual Insurance Co.	Insurance	65,893,650	3	0.24%	73,151,500	2	0.28%
Agnesian Healthcare	Health care	63,928,983	4	0.23%	34,181,383	5	0.13%
Mercury Marine/Brunswick	Manufacturer of marine motors, parts	63,770,819	5	0.23%	36,828,936	4	0.14%
Quad Graphics Inc.	Commercial lithographic printing	52,897,109	6	0.19%	63,701,497	3	0.24%
Michels Pipeline Construction	Pipeline construction	50,016,011	7	0.18%	-		-
Menards, Inc	Building materials	41,925,384	8	0.15%	23,139,400	10	0.09%
Aurora Medical Group	Health care	40,985,830		0.15%	-		-
Alliance Laundry System	Manufacturer of commercial laundry equipment	38,892,207		0.14%	-		-
Cabela's Retail Inc.	Retail	-		-	30,864,400	6	0.12%
John Mark Apartment Complexes	Apartment buildings	-		-	28,489,156	7	0.11%
The Gables of Germantown I LLC	Residential	-		-	27,741,700	8	0.11%
John Deere	Manufacturrer of mowers and tractors	-		-	24,357,121	9	0.09%
	Total	\$ 576,617,957		2.09%	\$ 436,531,974		1.67%

Source: RW Baird & Co.

Moraine Park Technical College District

Enrollment Statistics

Last Ten Fiscal Years

Student Enrollment ⁽¹⁾

Year Ended June 30,	Associate Degree	Technical Diploma	Vocational Adult	Community Service	Non-Post Secondary	Total	Unduplicated Total
2010	10,907	2,933	6,838	723	3,883	25,284	21,605
2011	10,903	2,854	7,064	767	3,458	25,046	21,550
2012	10,105	2,705	6,193	1,017	3,149	23,169	19,975
2013	10,325	2,673	4,910	1,314	3,466	22,688	19,190
2014	9,685	2,536	5,507	1,435	3,113	22,276	19,057
2015	9,072	2,318	5,693	1,051	2,897	21,031	18,042
2016	8,656	2,196	6,171	1,289	3,227	21,539	18,553
2017	8,018	2,114	6,008	1,137	3,075	20,352	17,796
2018	7,122	1,831	5,529	1,586	3,140	19,208	16,826
2019	6,787	1,979	4,890	1,499	2,982	18,137	15,676

Full-time Equivalent ⁽²⁾

Year Ended June 30,	Associate Degree	Technical Diploma	Vocational Adult	Community Service	Non-Post Secondary	Total
2010	2,620	642	108	9	269	3,648
2011	2,571	593	100	8	254	3,526
2012	2,205	609	84	7	233	3,138
2013	2,129	559	76	9	269	3,042
2014	2,071	581	80	10	241	2,983
2015	1,943	533	82	8	237	2,803
2016	1,927	473	100	9	308	2,817
2017	1,786	464	86	8	338	2,682
2018	1,671	413	90	10	342	2,526
2019	1,630	445	80	10	323	2,488

Notes:

- (1) Student enrollment represents the duplicated count of citizens enrolled in District courses. This data is from the Wisconsin Technical College System (WTCS) client report "Headcount Summary by Aid Category" (CLI572B). Previous year's numbers have been updated to reflect this state report.
- (2) Full-time equivalent data per the FTE Student Summary by Aid Category and Instructional Division (CLI570A) report from the WTCS client reporting system. A full-time equivalent is basically equal to 30 annual student credits based on a mathematical calculation which varies somewhat by program and which is subject to state approval and audit of student and course data.

Moraine Park Technical College District

Schedule of Per Credit Program Fees Charged

Last Ten Fiscal Years

<u>Year</u>	<u>Post Secondary Vocational Adult</u>		<u>Non-Aidable ⁽²⁾</u>
	<u>Resident</u>	<u>Out of State ⁽¹⁾</u>	
2009-10	101.40	505.45	175.00
2010-11	106.00	53.00	180.00
2011-12	111.85	55.95	195.00
2012-13	116.90	58.45	202.00
2013-14	122.20	61.10	202.00
2014-15	125.85	62.95	212.00
2015-16	128.40	64.20	214.00
2016-17	130.35	65.18	216.00
2017-18	132.20	66.10	219.00
2018-19	134.20	67.10	230.00

Additional Per Credit Fees

Material Fees

Fees for instructional materials consumed by students and instructors are required by s.38.24(1)(c), Wisconsin Statutes. These materials fees are to be charged to all students on a uniform basis unless exempted by state statute, administrative code, or State Board action. There are various fee categories ranging from \$4.50 per credit to \$350 per credit. Courses are assigned to one of the material fee categories based on the amount of instructional materials required for the course. The minimum fee that is to be charged for any non-exempt enrollment is \$4.50, regardless of the credit value.

Supplemental Fees

A supplemental fee is charged to all students enrolling in post secondary courses. This fee supports Student Senate, clubs and associations, and the College Life department. The fee was 7% of program fees for the 2018-19 academic year.

Notes:

- (1) Out-of-state tuition excludes those students covered by reciprocal agreements.
- (2) During 2009-10 the WTCS evaluated the utilization of professional development and avocational courses, requiring that many courses be transitioned to the avocational category which operates under different pricing regulations whereby fees are not set by the WTCS. Previous to this time, Moraine Park had not run avocational courses in many years and had not evaluated appropriate pricing until required by the State to transition courses and price appropriately.

Moraine Park Technical College District

Ratio of Outstanding Debt by Type

Last Ten Fiscal Years

Year ended June 30,	District Population ⁽¹⁾	Equalized Valuation - TID In	General Obligation Notes	General Obligation Bonds	Debt Premium	Debt Service Fund Assets Available	Net Total Debt ⁽²⁾		
							Amount	Percent of Equalized Valuation	Per Capita
2010	342,967	\$ 26,124,030,330	\$ 20,580,000	\$ 2,515,000	\$ -	\$ 200,811	\$ 22,894,189	9%	74
2011	343,462	25,560,469,384	22,790,000	-	-	-	22,790,000	9%	73
2012	341,826	25,115,841,233	22,485,000	-	-	111,668	22,373,332	9%	73
2013	342,235	24,291,662,323	23,295,000	-	-	222,883	23,072,117	9%	67
2014	342,564	23,873,304,438	23,140,000	-	-	361,970	22,778,030	10%	66
2015	343,812	24,354,040,697	23,310,000	-	-	575,146	22,734,854	9%	66
2016	345,379	24,830,273,433	22,745,000	-	-	645,243	22,099,757	9%	64
2017	346,532	25,403,971,141	23,880,000	-	-	789,418	23,090,582	9%	67
2018	347,417	26,519,160,102	23,320,000	-	74,047	866,645	22,453,355	8%	65
2019	349,128	27,525,107,247	24,245,000	-	201,480	805,091	23,439,909	9%	67

Notes:

(1) Source: Wisconsin Department of Administration compiled by Institutional Research Department of the District. Figures represent population estimates available from the prior calendar year end. For example, year ended June 30, 2018 population estimates are calendar year 2017 population estimates.

(2) Details regarding the District's outstanding debt can be found in the notes to the financial statements.

Moraine Park Technical College District

Computation of Direct and Overlapping Debt

For the Year Ended June 30, 2019

Name of Entity ⁽¹⁾	Net Debt Outstanding	Percent Applicable to District ⁽²⁾	Outstanding Debt Applicable to District
Calumet County	\$ 13,650,000	7.63%	\$ 1,041,495
Columbia County	49,850,000	0.10%	49,850
Dodge County	25,905,000	78.44%	20,319,882
Fond du Lac County	76,318,443	100.00%	76,318,443
Green Lake County	13,180,000	100.00%	13,180,000
Marquette County	8,205,000	2.01%	164,921
Sheboygan County	30,165,000	0.09%	27,149
Washington County	14,145,000	75.95%	10,743,128
Waushara County	3,150,000	9.19%	289,485
Winnebago County	25,597,000	0.95%	243,172
Total Cities	209,898,494	Varies	205,087,516
Total Villages	38,722,012	Varies	38,335,770
Total Towns	10,249,851	Varies	8,889,040
Total School Districts	403,576,630	Varies	392,341,559
Total Sanitary Districts	4,896,779	Varies	4,858,387
Subtotal, overlapping debt			771,889,795
District Direct Debt			
General Obligation Notes			24,245,000
Debt Premium			201,480
Subtotal, District direct debt			24,446,480
Total direct and overlapping debt			<u>\$ 796,336,275</u>

Statistical Summary

2018 Equalized Valuation - TID In	<u>\$ 27,525,107,247</u>
Direct District Indebtedness	24,446,480
Overlapping and Underlying Indebtedness	<u>771,889,795</u>
Total Direct, Overlapping and Underlying Indebtedness	<u>\$ 796,336,275</u>
Direct, Overlapping and Underlying Indebtedness as a Percentage of Equalized Value	2.89%
Population of District	347,417
Direct, Overlapping and Underlying Indebtedness - Per Capita	<u>\$ 2,292.16</u>

Source: R.W. Baird & Co.

Notes:

(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses located within the District boundaries. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for the repaying the debt, of each overlapping government.

(2) The percentage of overlapping debt applicable to the District is the equalized property value of the property of the overlapping government located in the District as a percentage of total equalized value of all property for the overlapping government.

Moraine Park Technical College District

Legal Debt Margin Information

Last Ten Fiscal Years

Legal Debt Margin Calculations for Fiscal year 2019

2018 Equalized Valuation - TID In

\$ 27,525,107,247

Total Debt

Total debt limit (5% of equalized valuation)	\$ 1,376,255,362
Debt applicable to limit:	
General obligation notes	\$ 24,245,000
General obligation bonds	-
Less: debt service funds available (GAAP Basis)	<u>805,091</u>
Total amount of debt applicable to debt limit	<u>23,439,909</u>
Legal total debt margin	<u>\$ 1,352,815,453</u>

Bonded Indebtedness

Total debt limit (2% of equalized valuation)	\$ 550,502,145
Debt applicable to limit:	
General obligation bonds	\$ -
Less: debt service funds available for bonds (GAAP basis)	<u>-</u>
Total amount of debt applicable to debt limit	<u>-</u>
Legal total debt margin	<u>\$ 550,502,145</u>

Legal Debt Margin, Last Ten Fiscal Years

Total Debt

Year	Debt Limit	Total net debt applicable to the limit	Legal debt margin	Total net debt applicable to the limit as a percentage of debt limit
2010	\$ 1,306,201,517	\$ 22,894,189	\$ 1,283,307,328	1.75%
2011	1,278,023,469	22,790,000	1,255,233,469	1.78%
2012	1,255,792,062	22,373,332	1,233,418,730	1.78%
2013	1,214,583,118	23,072,117	1,191,511,001	1.90%
2014	1,193,665,222	22,778,030	1,170,887,192	1.91%
2015	1,217,702,035	22,734,854	1,194,967,181	1.87%
2016	1,241,513,672	22,099,757	1,219,413,915	1.78%
2017	1,270,198,557	23,090,582	1,247,107,975	1.82%
2018	1,325,958,005	22,453,355	1,303,504,650	1.69%
2019	1,376,255,362	23,439,909	1,352,815,453	1.70%

Bonded Indebtedness

Year	Debt Limit	Total net debt applicable to the limit	Legal debt margin	Total net debt applicable to the limit as a percentage of debt limit
2010	\$ 522,480,607	\$ 2,493,132	\$ 519,987,475	0.48%
2011	511,209,388	-	511,209,388	0.00%
2012	502,316,825	-	502,316,825	0.00%
2013	485,833,247	-	485,833,247	0.00%
2014	477,466,089	-	477,466,089	0.00%
2015	487,080,814	-	487,080,814	0.00%
2016	496,605,469	-	496,605,469	0.00%
2017	508,079,423	-	508,079,423	0.00%
2018	530,383,202	-	530,383,202	0.00%
2019	550,502,145	-	550,502,145	0.00%

Moraine Park Technical College District

Demographic Statistics for Dodge, Fond du Lac, Green Lake and Washington Counties ⁽¹⁾

For the Calendar Years Ended June 30, 2009 to 2018

Year	Dodge County					Fond du Lac County				
	Population ⁽²⁾	Personal Income ⁽³⁾ (000's)	Per Capita Personal Income ⁽⁴⁾	Unemployment Rate ⁽⁵⁾	Public School Enrollment ⁽⁶⁾	Population ⁽²⁾	Personal Income ⁽³⁾ (000's)	Per Capita Personal Income ⁽⁴⁾	Unemployment Rate ⁽⁵⁾	Public School Enrollment ⁽⁶⁾
2009	90,022	\$ 2,818,366	\$ 31,308	9.3%	8,382	102,151	\$ 3,541,333	\$ 34,668	8.9%	15,668
2010	89,962	2,927,502	32,542	8.9%	8,406	102,385	3,765,312	36,776	8.2%	15,393
2011	88,789	3,110,733	35,035	7.8%	8,429	101,740	3,766,440	37,020	7.2%	15,270
2012	88,692	3,364,199	37,931	7.3%	8,496	101,955	4,018,578	39,415	6.6%	15,415
2013	88,875	3,462,150	38,955	7.2%	8,385	101,984	4,160,801	40,799	6.3%	15,369
2014	89,203	3,526,654	39,535	5.6%	8,387	102,424	4,318,062	42,159	5.0%	15,381
2015	89,595	3,633,464	40,554	4.5%	8,315	103,124	4,462,797	43,276	4.1%	15,290
2016	89,962	3,542,434	39,377	3.8%	8,141	103,290	4,562,299	44,170	3.6%	15,151
2017	89,908	3,743,216	41,634	2.9%	8,493	103,704	4,691,921	45,243	2.8%	15,124
2018	89,949	(7)	(7)	2.6%	8,465	104,035	(7)	(7)	2.6%	15,023

Year	Green Lake County					Washington County				
	Population ⁽²⁾	Personal Income ⁽³⁾ (000's)	Per Capita Personal Income ⁽⁴⁾	Unemployment Rate ⁽⁵⁾	Public School Enrollment ⁽⁶⁾	Population ⁽²⁾	Personal Income ⁽³⁾ (000's)	Per Capita Personal Income ⁽⁴⁾	Unemployment Rate ⁽⁵⁾	Public School Enrollment ⁽⁶⁾
2009	19,728	\$ 645,746	\$ 32,732	9.5%	3,038	131,066	\$ 5,336,197	\$ 40,714	8.6%	20,147
2010	19,772	644,162	32,580	9.3%	3,085	131,343	5,666,106	43,140	8.0%	20,074
2011	19,091	724,819	37,967	8.1%	3,167	132,206	5,978,473	45,221	6.9%	20,215
2012	19,106	786,664	41,174	7.6%	3,164	132,482	6,352,885	47,953	6.4%	20,173
2013	19,093	832,592	43,607	5.9%	3,188	132,612	6,495,547	48,982	6.1%	20,036
2014	19,114	820,198	42,911	4.6%	3,152	133,071	6,471,214	48,630	4.6%	20,111
2015	19,174	863,700	45,045	5.4%	3,067	133,486	6,832,104	51,182	3.8%	20,058
2016	19,143	837,843	43,768	5.0%	3,051	134,137	6,990,182	52,112	3.5%	19,912
2017	19,175	826,128	43,084	3.8%	3,067	134,630	7,398,100	54,951	2.8%	19,973
2018	19,174	(7)	(7)	3.3%	3,097	135,970	(7)	(7)	2.5%	19,676

Notes:

- (1) Dodge, Fond du Lac, Green Lake, and Washington comprise over 97% of the District's total equalized valuation. The District includes all or the majority of these four counties and parts of six other counties (Calumet, Columbia, Marquette, Sheboygan, Waushara, and Winnebago).
- (2) Source: Wisconsin Department of Administration compiled by Institutional Research Department of the District. Figures represent population estimates available from the prior calendar year end. For example, year ended June 30, 2017 population estimates are calendar year 2016 population estimates.
- (3) Source: US Department of Commerce, Bureau of Economic Analysis.
- (4) Calculated value: Population / Personal Income.
- (5) Source: Wisconsin Department of Workforce Development.
- (6) Source: Wisconsin Department of Public Instruction.
- (7) Information not yet available.

Moraine Park Technical College District

Principal Employers

Current Year and Nine Years Ago

Name of Business	Type of Business	Year Ended June 30, 2019			Year Ended June 30, 2010		
		Number of Employees	Rank	Percent of District Population	Number of Employees	Rank	Percent of District Population
Agnesian Health Care	Health care	3,785	1	1.08%	2,722	1	0.79%
Mercury Marine/Brunswick	Manufacturer of marine motors, parts	3,100	2	0.89%	1,750	2	0.51%
Quad/Graphics Inc.	Commercial lithographic printing	2,700	3	0.77%	1,000	5	0.29%
Wal-Mart Stores	Retail	1,970	4	0.56%	-	-	-
Wisconsin Department of Corrections	Dodge, Waupun, Fox Lake, Fond du Lac, and Taycheedah correctional facilities	1,515	5	0.43%	1,534	3	0.45%
Alliance Laundry System	Manufacturer of commercial laundry equipment	1,500	6	0.43%	1,277	4	0.37%
John Deere	Manufacturer of mowers and tractors	1,300	7	0.37%	-	-	-
West Bend Mutual Insurance Co	Insurance	1,100	8	0.32%	-	-	-
Dodge County	Government	1,009	9	0.29%	946	10	0.28%
Broan NuTone Group	Manufacturer of kitchen range hoods	950	10	0.27%	-	-	-
Beaver Dam Community Hospital	Nursing home and hospital	-	-	-	975	6	0.28%
Serigraph Inc	Graphic art printing company	-	-	-	962	7	0.28%
Moraine Park Technical College	Education	-	-	-	959	8	0.28%
Fond du Lac County	Government	-	-	-	950	9	0.28%
Total		18,929		5.42%	13,075		3.81%

Source: RW Baird & Co.

Moraine Park Technical College District

Full Time Employees by Equal Employment Opportunity Classification

Last Ten Fiscal Years

	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
Administrative/Managerial										
Number of females								47	50	43
Percent females								63.83%	60.00%	69.77%
Number of minorities								3	3	1
Percent minorities								6.38%	6.00%	2.33%
Faculty										
Number of females	142	143	143	145	149	139	141	144	144	145
Percent females	57.04%	55.94%	54.55%	55.17%	53.02%	51.80%	52.48%	52.08%	51.39%	52.41%
Number of minorities	2	3	2	6	1	1	3	4	6	6
Percent minorities	1.41%	2.10%	1.40%	4.14%	0.67%	0.72%	2.13%	2.78%	4.17%	4.14%
Professional/Noninstruction										
Number of females								46	39	41
Percent females								71.74%	71.79%	68.29%
Number of minorities								2	2	2
Percent minorities								4.35%	7.14%	4.88%
Secretarial/Clerical										
Number of females								68	103	106
Percent females								95.59%	95.15%	90.57%
Number of minorities								1	0	0
Percent minorities								1.47%	0.00%	0.00%
Technical/Para-professional										
Number of females								43	16	18
Percent females								88.37%	75.00%	77.78%
Number of minorities								0	0	0
Percent minorities								0.00%	0.00%	0.00%
Skilled Trades										
Number of females								1	1	1
Percent females								0.00%	0.00%	0.00%
Number of minorities								0	0	0
Percent minorities								0.00%	0.00%	0.00%
Service/Maintenance										
Number of females								21	23	28
Percent females								42.86%	39.13%	85.71%
Number of minorities								0	0	0
Percent minorities								0.00%	0.00%	0.00%

Moraine Park Technical College District

Full Time Employees by Equal Employment Opportunity Classification (Continued)

Last Ten Fiscal Years

	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
<u>Library Technicians</u>	3	4	3	3	3	3	3	3		
Number of females	3	3	3	3	3	3	3	3		
Percent females	100%	133%	100%	100%	100%	100%	100.00%	100.00%		
Number of minorities	1	1	1	1	1	1	1	1		
Percent minorities	33.33%	25.00%	33.33%	33.33%	33.33%	33.33%	33.33%	33.33%		
<u>Librarians</u>	2	1	3	3	3	3	3	3		
Number of females	0	0	0	0	0	0	0	0		
Percent females	0	0	0	0	0	0	0	0		
Number of minorities	1	1	1	0	0	1	1	1		
Percent minorities	50.00%	100.00%	33.33%	0.00%	0.00%	33.33%	33.33%	33.33%		
<u>Student & Academic Affairs & Other Education S</u>	20	20	23	21	20	22	22	22		
Number of females	14	15	17	15	14	18	17	17		
Percent females	70.00%	75.00%	73.91%	71.43%	70.00%	81.82%	77.27%	77.27%		
Number of minorities	2	1	1	1	1	2	2	2		
Percent minorities	10.00%	5.00%	4.35%	4.76%	5.00%	9.09%	9.09%	9.09%		
<u>Management</u>	70	68	65	59	46	40	36	36		
Number of females	35	35	35	34	27	24	23	23		
Percent females	50.00%	51.47%	53.85%	57.63%	58.70%	60.00%	63.89%	63.89%		
Number of minorities	2	2	2	2	2	1	1	1		
Percent minorities	2.86%	2.94%	3.08%	3.39%	4.35%	2.50%	2.78%	2.78%		
<u>Business & Financial Operations</u>	12	12	12	13	12	10	13	13		
Number of females	11	10	10	11	9	7	11	11		
Percent females	91.67%	83.33%	83.33%	84.62%	75.00%	70.00%	84.62%	84.62%		
Number of minorities	0	0	0	0	0	0	0	0		
Percent minorities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
<u>Computer, Engineering & Science</u>	7	10	10	9	16	17	19	19		
Number of females	2	2	3	3	3	5	6	6		
Percent females	28.57%	20.00%	30.00%	33.33%	18.75%	29.41%	31.58%	31.58%		
Number of minorities	0	0	0	0	0	0	0	0		
Percent minorities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
<u>Community, Social Service, Legal, Arts, Design,</u>	8	6	7	12	13	15	11	11		
Number of females	8	6	6	10	11	13	6	6		
Percent females	100.00%	100.00%	85.71%	83.33%	84.62%	86.67%	54.55%	54.55%		
Number of minorities	1	1	1	0	0	1	1	1		
Percent minorities	12.50%	16.67%	14.29%	0.00%	0.00%	6.67%	9.09%	9.09%		

Moraine Park Technical College District

Full Time Employees by Equal Employment Opportunity Classification (Continued)

Last Ten Fiscal Years

	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
<u>Service</u>	25	27	17	15	20	18	18			
Number of females	13	12	8	8	9	10	10			
Percent females	52.00%	44.44%	47.06%	53.33%	45.00%	55.56%	55.56%			
Number of minorities	1	0	0	0	0	1	0			
Percent minorities	0.00%	0.00%	0.00%	0.00%	0.00%	5.56%	0.00%			
<u>Sales & Related</u>	3	2	2	3	2	3	4			
Number of females	2	0	0	2	2	3	4			
Percent females	0.00%	0.00%	0.00%	66.67%	100.00%	100.00%	100.00%			
Number of minorities	0	0	0	0	0	0	0			
Percent minorities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00% #	0.00%			
<u>Office & Administrative Support</u>	109	110	105	97	92	92	101			
Number of females	93	96	99	91	86	88	92			
Percent females	85.32%	87.27%	94.29%	93.81%	93.48%	95.65%	91.09%			
Number of minorities	3	1	1	1	2	0	0			
Percent minorities	2.75%	0.91%	0.95%	1.03%	2.17%	0.00%	0.00%			
<u>Natural Resources, Construction & Maintenance</u>	5	4	4	5	6	6	5			
Number of females	0	0	0	0	0	0	0			
Percent females	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
Number of minorities	0	0	0	1	0	1	0			
Percent minorities	0.00%	0.00%	0.00%	20.00%	0.00%	16.67%	0.00%			
<u>Production, Transportation, and Material Moving</u>	1	1	1	1	1	1	1			
Number of females	0	0	0	0	0	0	0			
Percent females	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
Number of minorities	0	0	0	0	0	0	0			
Percent minorities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
<u>Total</u>	407	408	395	386	383	369	377	370	378	382
Number of females	260	259	259	257	243	243	246	250	251	268
Percent females	63.88%	63.48%	65.57%	66.58%	63.45%	65.85%	65.25%	67.57%	66.40%	70.16%
Number of minorities	12	10	9	12	7	9	9	10	11	9
Percent minorities	2.95%	2.45%	2.28%	3.11%	1.83%	2.44%	2.39%	2.70%	2.91%	2.36%

Source: IPEDS report. Categories changed to match standard occupational classifications in 2013 from 7 to 13 categories.

Moraine Park Technical College District

Operational Expenditures per Full-Time Equivalent (FTE) Student

Last Ten Fiscal Years

<u>Year</u>	<u>Operational Expenditures ⁽¹⁾</u>		<u>Student Enrollments</u>		<u>Expenditures per FTE</u>	
	<u>Amount 000's</u>	<u>Percent Increase (Decrease)</u>	<u>FTE's</u>	<u>Percent Increase (Decrease)</u>	<u>Per FTE</u>	<u>Percent Increase (Decrease)</u>
2010	49,359	2.46	3,648	4.49	13,530	3.16
2011	50,692	7.65	3,526	12.84	14,377	(4.60)
2012	47,779	2.70	3,138	(3.34)	15,226	6.26
2013	48,529	(5.75)	3,042	(11.00)	15,953	5.91
2014	48,945	1.57	2,983	(3.06)	16,408	4.77
2015	47,431	0.86	2,803	(1.94)	16,922	2.85
2016	48,275	(3.09)	2,817	(6.03)	17,137	3.13
2017	49,992	(2.19)	2,682	(5.82)	18,640	3.85
2018	48,898	0.70	2,526	(1.50)	19,358	2.24
2019	49,240		2,488		19,791	

Notes:

(1) For the purposes of this compilation, operational expenditures is based on the budgetary expenditures from the District's General and Special Revenue Aidable funds.

Moraine Park Technical College District

Program Graduate Follow-Up Statistics (1)

Last Ten Fiscal Years

<u>Year</u>	<u>Number of Graduates</u>	<u>Number of Follow-up Respondents</u>	<u>Number Available for Employment</u>	<u>Percent Employed</u>	<u>Percent Employed in Related Occupations</u>	<u>Percent Employed in District</u>	<u>Average Monthly Salary</u>
2008-09	986	644	453	83%	79%	50%	\$3,041
2009-10	1,030	742	548	94%	68%	58%	\$2,879
2010-11	1,080	781	573	89%	74%	57%	\$2,864
2011-12	1,110	895	640	88%	77%	56%	\$2,852
2012-13	1,020	657	389	92%	81%	56%	\$2,747
2013-14	1,190	766	467	95%	77%	60%	\$3,065
2014-15	983	690	452	93%	86%	50%	\$3,312
2015-16	1,046	686	334	94%	82%	44%	\$3,357
2016-17	1,270	885	418	93%	81%	47%	\$3,283
2017-18	1,140	804	370	92%	85%	61%	\$3,274

- (1) Based on a survey of Moraine Park graduates conducted approximately six months after graduation; therefore, 2018-19 statistics are not available. Statistics include graduates of Moraine Park's postsecondary vocational-technical programs. This data does not reflect the activities of students who complete only portions of their program.

Moraine Park Technical College District

Square Footage of District Facilities

Last Ten Fiscal Years

Campus	Address	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Beaver Dam	700 Gould Street Beaver Dam, WI 53916-1994	75,780	75,780	69,072	69,072	69,072	69,072	69,072	61,889	61,889	60,768
Fond du Lac	235 N National Avenue Fond du Lac, WI 54936-1940	312,103	312,103	312,103	312,103	303,796	302,055	302,055	302,055	302,055	301,814
District Office Building	235 N National Avenue Fond du Lac, WI 54936-1940	8,600	8,600	8,600	8,600	8,600	8,600	8,600	8,600	8,600	8,600
West Bend	2151 North Main Street West Bend, WI 53095-1598	156,491	156,491	156,491	156,491	156,491	156,491	156,491	147,541	140,035	131,554
Jackson Regional Center (leased)	N173 W21150 Northwest Passage Way Jackson, WI 53037	9,736	9,736	9,736	9,736	9,736	9,736	----- Not Applicable -----			
Ripon Regional Center (leased)	850 Tiger Drive Ripon, WI 54971-0313	----- Not Available -----									

Source: MPTC Facilities department.

Note: The College also offers classes at numerous Instructional Centers throughout the District.

Moraine Park Technical College District

Insurance Coverage Summary

Fiscal Year 2018-19
(Unaudited)

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
Property Coverage	DMI	7/1/18 - 6/30/19	Covers all real and personal property, all risk; \$25,000 Deductible per Occurrence		\$ 55,526
			Blanket Property Limit (Per Occurrence)	\$ 500,225,000	
			Certified Terrorism	500,225,000	
			Non-Certified Terrorism	500,225,000	
			Accounts Receivable	25,225,000	
			Fine Arts	15,225,000	
			Valuable Papers and Records	25,225,000	
			Extra Expense	25,225,000	
			Electronic Data Processing Equipment	25,225,000	
			Miscellaneous Unnamed Locations	25,000,000	
			Newly Acquired Property (180 days reporting)	25,225,000	
			Building Ordinance including Demolition & ICC & Increased Time to Rebuild	25,225,000	
			Debris Removal - the greater of 25% of the loss or	15,225,000	
			Earth Movement and Volcanic Action (Annual Aggregate)	25,225,000	
			Flood and Water Damage (Annual Aggregate)	25,225,000	
			Flood in FEMA Zones designated using letters A or V (Annual Aggregate)	25,225,000	
			Property in the Course of Construction	25,225,000	
			Transit	2,725,000	
			Ingress/Egress (1 mile limitation, 30 days limitation)	5,225,000	
			Interruption by Civil Authority (1 mile radius limitation, 30 day limitation)	5,225,000	
			Leasehold Interest	2,725,000	
			Service Interruption - Property Damage & Time Element Combined (Water, Communication including overhead transmission lines, Power including overhead transmission lines)	10,225,000	
			Mobile Equipment	1,225,000	
			Expediting Expenses	5,000,000	
			Pollutant Clean-Up and Removal (Annual Aggregate)	1,225,000	
			Claims Preparation Expenses (Subject to max. 5% of combined PD & TE Loss)	250,000	
			Defense Costs	250,000	
			Exhibition, Exposition, Fair or Trade Show	1,225,000	
			Fire Department Service Charges	475,000	
			Protection of Property	475,000	
			Radioactive Contamination	250,000	
			Royalties	250,000	

Moraine Park Technical College District

Insurance Coverage Summary (Continued)

Fiscal Year 2018-19
(Unaudited)

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
Equipment Breakdown	DMI	7/1/18 - 6/30/19	Comprehensive coverage; \$25,000 deductible	\$ 100,000,000	\$ 3,713
			Property Damage	Included	
			Business Income	Included	
			Extra Expense	Included	
			Off-Premises Property Damage	25,000	
			Service Interruption	1,000,000	
			Contingent Business Income	25,000	
			Perishable Goods (Spoilage/Ammonia Contamination)	250,000	
			Data Restoration	250,000	
			Demolition	1,000,000	
			Ordinance or Law	1,000,000	
			Expediting Expenses	250,000	
			Hazardous Substances	250,000	
			Newly Acquired Locations (365 days)	Policy Limit	
			Broad Comprehensive Coverage (Including Production Machines, Computer Equipment)	Included	
Repair or Replacement	Yes				
Green Upgrade	25,000				
Workers' Compensation	DMI	7/1/18 - 6/30/19 Employer's Liability	Workers' Compensation - Wisconsin Benefits	Statutory	\$ 149,632
			- Bodily injury by accident, each accident	\$ 100,000	
			- Bodily injury by disease, policy limit	500,000	
			- Bodily injury by disease, each employee	100,000	
General Liability <i>(Includes Professional, Automobile, and Educators Legal Liability)</i>	DMI	7/1/18 - 6/30/19	Each occurrence limit	\$ 5,000,000	\$ 49,166
			Damage to Premises Rented to You	500,000	
			Limited Above Ground Pollution Liability		
			- Each Claim and Policy Aggregate	1,000,000	
			Under/Uninsured motorists	350,000	
			Garagekeepers Coverage (ACV up to...)	500,000	
			- Comprehensive deductible (each customer auto/each event)	\$500 / \$2,500	
			- Collision deductible (each customer auto)	500	
			Policy Deductible - per occurrence	5,000	
			Automobile Physical Damage Deductible	2,500	
			[Educators Legal Liability (includes, Directors & Officers, Employment Practices, and Employee Benefits Liability)]		
- Per Wrongful Act	5,000,000				
- Per Wrongful Act Deductible	100,000				

Moraine Park Technical College District

Insurance Coverage Summary (Continued)

Fiscal Year 2018-19
(Unaudited)

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium			
Active Threat / Shooter*	DMI	7/1/18 - 6/30/19	Liability & Claim Expense		\$ 671			
			- Per Occurrence	\$ 1,000,000				
			- Aggregate	16,000,000				
			Mental Anguish - 25% of the Overall Limit					
			Counseling Services					
			- Per Occurrence	250,000				
			- Aggregate	1,000,000				
			Property Damage - per Occurrence / Aggregate	500,000				
			Deductible Per Occurrence	10,000				
			<hr/>					
Cyber Liability	DMI	7/1/18 - 6/30/19	Policy Aggregate Limit of Liability	\$ 1,000,000	\$ 14,395			
			Coverage for Privacy Breach and Response Services	500,000				
			Computer Expert Services, Legal Services, Public Relations and Crisis Management Expense	1,000,000				
			Per Claim Deductible	25,000				
			Deductible for Computer Expert Services, Legal Services, Public Relations and Crisis Management Expense	10,000				
			<hr/>					
			Terrorism & Sabotage	DMI	7/1/18 - 6/30/19	Policy Deductible	\$ 20,000	\$ 1,560
Overall Limit of Liability - For Any One (1) Occurrence and in the Aggregate, Damage, and Financial Loss Combined during the Period of Insurance	100,000,000							
Brand rehabilitation: 10% of the overall Limit of Liability or (Whichever the lesser) Extension may be limited	500,000							
Claims Preparation: 10% of the overall Limit of Liability or (Whichever the lesser)	100,000							
Contingent Financial Loss	5,000,000							
Damage to Property at Any Unspecified Third Party Site (Other than site included in the Referral Region and Zip Code List) Limit is per Damage / Financial Loss Combined	500,000							
Damage to Property while in Transit - per Damage / Financial Loss Combined	500,000							
Denial of Access	5,000,000							
Seepage Contamination and Pollution/Clean up	5,000,000							
Utilities	5,000,000							
Attraction	5,000,000							
Contract Works	5,000,000							
Extinguishment Expenses	500,000							
Threat	5,000,000							
Excess Damage - Any One Occurrence for Damage & Financial Loss Combined as per the Associated Policy	20,000							

Moraine Park Technical College District

Insurance Coverage Summary (Continued)

Fiscal Year 2018-19
(Unaudited)

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
Crime	AIG	7/1/18 - 6/30/19	Employee Theft	\$ 750,000	\$ 3,044
			Forgery or Alteration	750,000	
			ERISA Fidelity	750,000	
			On-Premises / In-Transit	750,000	
			Computer Fraud	750,000	
			Funds Transfer Fraud	750,000	
			Personal Accounts Forgery or Alteration	750,000	
			Identity Fraud Expense Reimbursement	25,000	
			Claim Expense	25,000	
			Credit and Forgery	750,000	
			Impersonation Fraud	100,000	
			Employee Dishonesty	25,000	
			Deductible	10,000	
			International Travel Liability**	Chubb Insurance Company	
General Aggregate	5,000,000				
Personal and Advertising Injury - Aggregate	1,000,000				
Products - Completed Operations - Aggregate	2,000,000				
Premises Damage Limit - Each Occurrence	1,000,000				
Medical Expense Limit - Any one person	25,000				
Contingent Auto Liability - Combined Single Limit					
- Each Accident	1,000,000				
Foreign Hired Auto Physical Damage					
- Any One Accident	50,000				
- Any one policy period	50,000				
Foreign Employee Benefits Liability (\$1,000 Deductible)					
- Each Claim	1,000,000				
- Aggregate	1,000,000				
Foreign Voluntary Workers' Compensation					
- State of Hire Benefits	Statutory				
- North American	State of Hire Benefits				
- Third Country Nationals	Country of Origin				
- Local Nationals	Country of Origin				
Foreign Employers Liability					
- Bodily injury by accident, each accident	1,000,000				
- Bodily injury by disease, each employee	1,000,000				
- Bodily injury by disease, policy limit	1,000,000				
Executive Assistance (per covered person)	1,000,000				
Kidnap and Extortion (per cause of loss)	250,000				

Moraine Park Technical College District

Insurance Coverage Summary (Continued)

Fiscal Year 2018-19
(Unaudited)

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
Business Travel Accident (for Local Boards of Director Members)	CIGNA	7/1/18 - 6/30/19	Benefits for Scheduled Losses	\$ 100,000	\$ 253
			- Aggregate	1,000,000	
			- Loss of Life		
			- Other Covered Losses as Scheduled		
TOTAL ANNUAL PREMIUMS					<u>\$ 280,759</u>

* Details of Coverage Section - Not all Inclusive. For a full review of *all* coverages available the Policy must be specifically referenced.

**This coverage is provided on a request basis

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SINGLE AUDIT SECTION



Moraine Park Technical College

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2019

Assistance Program	Federal Catalog Number	Grant Number	Grant Period	Award Amount	Revenues		Expenditures	Subrecipient Payments
					Grantor Reimbursements	Local Share		
U.S. Department of Labor:								
WIA Cluster								
<i>Passed through Workforce Development Board of South Central Wisconsin</i> Training Navigator	17.258	17-301-2018-TN	7/1/18 - 6/30/19	\$ 47,110	\$ 45,570	\$ (6,709)	\$ 38,861	\$ -
U.S. Department Transportation:								
INTERAGENCY HAZARDOUS MATERIALS PUBLIC SECTOR TRAINING AND PLANNING GRANTS	20.703							
<i>Passed through Wisconsin Technical College System</i> Hazardous Materials Training		N/A	7/1/18 - 6/30/19	3,677	3,677	-	3,677	-
Total 20.703				<u>3,677</u>	<u>3,677</u>	<u>-</u>	<u>3,677</u>	<u>-</u>
U.S. Department of Education:								
ADULT EDUCATION - BASIC GRANTS TO STATES	84.002							
<i>Passed through Wisconsin Technical College System</i> Adult Basic Education		10-501-146-129	7/1/18 - 6/30/19	267,660	263,724	95,589	359,313	-
Adult Basic Education - Integrated English Language & Civics Ed		10-504-146-169	7/1/18 - 6/30/19	74,048	71,586	27,320	98,906	-
Institutionalized Individuals		10-510-146-118	7/1/18 - 6/30/19	45,980	44,293	14,764	59,057	-
Total 84.002				<u>387,688</u>	<u>379,603</u>	<u>137,673</u>	<u>517,276</u>	<u>-</u>
TRIO Cluster								
TRIO Student Support Services	84.042	P042A100735	9/1/15 - 8/31/20	1,100,000	225,406	-	225,406	-
Total 84.042				<u>1,100,000</u>	<u>225,406</u>	<u>-</u>	<u>225,406</u>	<u>-</u>
CAREER AND TECHNICAL EDUCATION - BASIC GRANTS TO STATES								
<i>Passed through Wisconsin Technical College System Board</i> Career Prep	84.048	10-004-150-219	7/1/18 - 6/30/19	40,607	40,528	3,285	43,813	-
Strengthening Career and Technical Education Programs		10-601-150-259	7/1/18 - 6/30/19	70,697	66,626	1,289	67,915	-
Student Success		10-602-150-239	7/1/18 - 6/30/19	251,375	251,355	239,723	491,078	-
Increasing Enrollment & Retention of Students in Nontraditional Occupations		10-607-150-269	7/1/18 - 6/30/19	20,372	18,655	-	18,655	-
Total 84.048				<u>383,051</u>	<u>377,164</u>	<u>244,297</u>	<u>621,461</u>	<u>-</u>
Student Financial Aid Cluster								
FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS (SEOG)	84.007							
SEOG Grants		P007A184522	7/1/18 - 6/30/19	90,419	90,419	30,139	120,558	-
Total 84.007				<u>90,419</u>	<u>90,419</u>	<u>30,139</u>	<u>120,558</u>	<u>-</u>
FEDERAL WORK-STUDY PROGRAM	84.033							
Federal Work Study Program		P033A184522	7/1/18 - 6/30/19	18,010	18,010	5,751	23,761	-
Total 84.033				<u>18,010</u>	<u>18,010</u>	<u>5,751</u>	<u>23,761</u>	<u>-</u>

Moraine Park Technical College

Schedule of Expenditures of Federal Awards (Continued)

For the year ended June 30, 2019

Assistance Program	Federal Catalog Number	Grant Number	Grant Period	Award Amount	Revenues		Expenditures	Subrecipient Payments
					Grantor Reimbursements	Local Share		
FEDERAL PELL GRANT PROGRAM	84.063							
PELL		P063P183169	7/1/18 - 6/30/19	3,422,359	3,304,407	-	3,304,407	-
PELL Administration		N/A	7/1/18 - 6/30/19	-	5,595	-	5,595	-
Total 84.063				<u>3,422,359</u>	<u>3,310,002</u>	<u>-</u>	<u>3,310,002</u>	<u>-</u>
Direct Loans	84.268	P268K183169	7/1/18 - 6/30/19	4,390,771	3,778,292	-	3,778,292	-
Total 84.268				<u>4,390,771</u>	<u>3,778,292</u>	<u>-</u>	<u>3,778,292</u>	<u>-</u>
Veterans Administration - Reporting Fee	N/A	N/A	7/1/18 - 6/30/19	-	1,530	-	1,530	-
Total Student Financial Aid Cluster				<u>7,921,559</u>	<u>7,198,253</u>	<u>35,890</u>	<u>7,234,143</u>	<u>-</u>
Total U.S. Department of Education				<u>9,795,975</u>	<u>8,180,426</u>	<u>423,670</u>	<u>8,646,512</u>	<u>-</u>
U.S. Department of Homeland Security:								
<i>Passed through Wisconsin Technical College System</i>								
Assistance to Firefighters	97.044	10-554-153-119	7/1/18 - 6/30/19	38,745	38,739	5,810	44,549	-
TOTAL FEDERAL AWARDS				<u>\$ 9,881,830</u>	<u>\$ 8,268,412</u>	<u>\$ 422,771</u>	<u>\$ 8,729,922</u>	<u>\$ -</u>

See Notes to Schedule of Expenditures of Federal Awards

Moraine Park Technical College

Schedule of Expenditures of State Awards

For the Year Ended June 30, 2019

Assistance Program	State Catalog Number	Grant Number	Grant Period	Award Amount	Revenues		Expenditures	Subrecipient Payments
					Grantor Reimbursements	Local Share		
Wisconsin Department of Transportation:								
Beginning Motorcycle Drivers Education	20.395(4)(aq)	M/C-10-10-665-V	7/1/18 - 6/30/19	\$ 22,500	\$ 7,176	\$ 25,004	\$ 32,180	\$ -
Total 20.395(4)(aq)				22,500	7,176	25,004	32,180	-
Wisconsin Higher Education Aids Board:								
Wisconsin Higher Education Grant	235.102	N/A	7/1/18 - 6/30/19	772,889	772,889	-	772,889	-
Remission of Fees for Veterans and Dependents	235.105	N/A	7/1/18 - 6/30/19	28,709	28,709	-	28,709	-
Minority Undergraduate Retention Grant	235.107	N/A	7/1/18 - 6/30/19	8,560	8,560	-	8,560	-
Covenant Scholars	235.108	N/A	7/1/18 - 6/30/19	2,124	2,124	-	2,124	-
Talent Incentive Program	235.114	N/A	7/1/18 - 6/30/19	35,050	35,050	-	35,050	-
Nursing Student Loan	235.117	N/A	7/1/18 - 6/30/19	3,000	3,000	-	3,000	-
Technical Excellence Scholarship	235.119	N/A	7/1/18 - 6/30/19	67,500	33,750	33,750	67,500	-
Covenant Foundation	235.131	N/A	7/1/18 - 6/30/19	1,500	1,500	-	1,500	-
Total 235.102-132				919,332	885,582	33,750	919,332	-
Wisconsin Technical College System:								
Emergency Assistance Student Grants	292.104	10-048-104-118	7/1/18 - 6/30/19	1,200	1,200	-	1,200	-
Emergency Assistance Student Grants	292.104	10-048-104-119	7/1/18 - 6/30/19	10,051	10,051	-	10,051	-
State Aid for Technical Colleges	292.105	N/A	7/1/18 - 6/30/19	3,700,906	3,700,906	-	3,700,906	-
WORKFORCE ADVANCEMENT TRAINING GRANTS	292.124							
Continuous Improvement Consortium		10-740-124-178	7/1/17 - 8/31/18	80,451	6,612	-	6,612	-
Improving Customer Service & Sales Skills		10-741-124-178	7/1/17 - 8/31/18	20,039	3,570	40	3,610	-
Developing Organizational Leadership		10-742-124-178	7/1/17 - 8/31/18	88,191	19,195	-	19,195	-
Increasing Industrial Maintenance Capabilities		10-743-124-178	7/1/17 - 8/31/18	103,433	8,005	-	8,005	-
Developing Technical Skills for Manufacturing		10-744-124-178	7/1/17 - 8/31/18	199,974	27,398	3,220	30,618	-
Supervision and Team Building		10-745-124-178	7/1/17 - 8/31/18	53,639	2,193	(910)	1,283	-
Continuous Improvement & Quality		10-746-124-179	7/1/18 - 8/31/19	62,455	43,575	(3,100)	40,475	-
Developing Organizational Leadership		10-747-124-179	7/1/18 - 8/31/19	95,677	95,677	6,102	101,779	-
Increasing Industrial Maintenance Capabilities		10-748-124-179	7/1/18 - 8/31/19	98,655	63,193	(2,027)	61,166	-
Developing Technical Skills for Manufacturing		10-749-124-179	7/1/18 - 8/31/19	199,683	182,663	-	182,663	-
Supervision and Team Building		10-750-124-179	7/1/18 - 8/31/19	75,053	75,053	15,048	90,101	-
Improving Customer Service & Sales Skills		10-751-124-179	7/1/18 - 8/31/19	13,211	13,211	(161)	13,050	-
Grants to District Boards - Career Pathways	292.124							
ABC Carpentry		10-210-124-119	7/1/18 - 6/30/19	21,600	21,501	-	21,501	-
Implementation of an Innovative Community of Learners Student Support Model		10-030-124-169	7/1/18 - 6/30/19	225,000	221,650	63,011	284,661	-
Bridge to Automotive Technology		10-303-124-129	7/1/18 - 6/30/19	21,767	20,625	6,876	27,501	-
Bridge for Medical Assistant		10-304-124-129	7/1/18 - 6/30/19	17,855	16,663	5,552	22,215	-

Moraine Park Technical College

Schedule of Expenditures of State Awards (Continued)

For the Year Ended June 30, 2019

Assistance Program	State Catalog Number	Grant Number	Grant Period	Award Amount	Revenues			Expenditures	Subrecipient Payments
					Grantor Reimbursements	Local Share			
Grants to District Boards - Core Industry									
IT Technical Support Specialist Program Expansion		10-453-124-139	7/1/18 - 6/30/19	128,490	128,490	17,216	145,706	-	
Expanding Nursing Assistant Courses in High School Setting		10-456-124-139	7/1/18 - 6/30/19	226,094	85,325	-	85,325	-	
Grants to District Boards - Developing Markets									
Gas Utility Construction and Service Technician		10-250-124-149	7/1/17 - 6/30/19	200,000	200,000	11,571	211,571	-	
Grants to District Boards - Professional Development									
Customized Employee Growth Plans		10-020-124-159	7/1/18 - 6/30/19	54,420	54,285	-	54,285	-	
Student Success Center		10-202-124-198	7/1/18 - 6/30/19	20,000	20,000	364	20,364	-	
Advanced Manufacturing Network - NE		10-552-124-189	11/19/18 - 11/18/19	43,372	2,936	-	2,936	-	
Health Sciences/Disability Services Workgroup		10-840-124-199	7/1/18 - 6/30/19	1,500	1,382	-	1,382	-	
Captioning Leadership		10-841-124-198	7/1/18 - 6/30/19	20,000	20,000	-	20,000	-	
<u>Passed through Fox Valley Technical College</u>									
ABE Welding Consortium		10-454-124-139	7/1/18 - 6/30/19	294,945	302,432	585	303,017	-	
<u>Passed through Chippewa Valley Technical College</u>									
Nursing Associate Degree Consortium		10-455-124-139	7/1/18 - 6/30/20	123,144	109,505	-	109,505	-	
<u>Passed through Lakeshore Technical College</u>									
Advanced Manufacturing Network - NE		10-552-124-188	7/1/17 - 11/30/18	7,600	3,386	5	3,391	-	
Total 292.124				<u>2,496,248</u>	<u>1,748,525</u>	<u>123,392</u>	<u>1,871,917</u>	<u>-</u>	
Fire Fighter Training 2%	292.137	N/A	7/1/18 - 6/30/19	18,346	18,346	-	18,346	-	
Property Tax Relief Aid	292.162	N/A	7/1/18 - 6/30/19	<u>20,713,698</u>	<u>20,713,698</u>	<u>-</u>	<u>20,713,698</u>	<u>-</u>	
Total Wisconsin Technical College System				<u>26,940,449</u>	<u>26,192,726</u>	<u>123,392</u>	<u>26,316,118</u>	<u>-</u>	
Wisconsin Department of Natural Resources:									
Aids in Lieu of Taxes	370.503	N/A	7/1/18 - 6/30/19	24,101	24,101	-	24,101	-	
Wisconsin Department of Workforce Development									
Wisconsin Fast Forward	445.109								
Training Teachers to Teach in Dual Enrollment Programs		EFF181DE10010	7/1/18 - 6/30/20	<u>275,000</u>	<u>15,310</u>	<u>-</u>	<u>15,310</u>	<u>-</u>	
Total				<u>275,000</u>	<u>15,310</u>	<u>-</u>	<u>15,310</u>	<u>-</u>	
Wisconsin Department of Revenue:									
Aids in Lieu of Personal Property Taxes	835.103	N/A	7/1/18 - 6/30/19	128,022	128,022	-	128,022	-	
State Aid - Computers	835.109	N/A	7/1/18 - 6/30/19	<u>54,144</u>	<u>54,144</u>	<u>-</u>	<u>54,144</u>	<u>-</u>	
TOTAL STATE AWARDS				<u>\$ 28,363,548</u>	<u>\$ 27,307,061</u>	<u>\$ 182,146</u>	<u>\$ 27,489,207</u>	<u>\$ -</u>	

See Notes to Schedule of Expenditures of State Awards

Moraine Park Technical College

Notes to the Schedules of Expenditures of Federal and State Awards For the Year Ended June 30, 2019

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards for the District are presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

The Schedules of Expenditures of Federal and State Awards include all federal and state awards of the District. Because the schedules present only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the District's 2018-2019 financial statements. Such expenditures are recognized following the cost principles contained in the Uniform guidance and *State Single Audit Guidelines*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the District in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded District expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances.

The District has not elected to charge a de minimis rate of 10% of modified total costs.

NOTE 3: OVERSIGHT AGENCIES

The federal and state oversight agencies for the District are as follows:

Federal - U.S. Department of Education

State - Wisconsin Technical College System

Moraine Park Technical College

Notes to the Schedules of Expenditures of Federal and State Awards For the Year Ended June 30, 2019

NOTE 4: RECONCILIATION OF FEDERAL REVENUES TO BASIC FINANCIAL STATEMENTS

Following is a reconciliation of federal revenues per the schedule of expenditures of federal awards to the federal revenues per the College's basic financial statements.

Revenues per schedule of expenditures of federal awards	\$ 8,268,412
Less amounts recorded as tuition	<u>(7,064)</u>
Revenues per basic financial statements	<u>\$ 8,261,348</u>
Revenues per basic financial statements	
Operating revenue - federal grants	\$ 8,222,609
Non-operating revenue:	
Capital grants	<u>38,739</u>
Total	<u>\$ 8,261,348</u>

NOTE 5: RECONCILIATION OF STATE REVENUES TO BASIC FINANCIAL STATEMENTS

Following is a reconciliation of state revenues per the schedule of expenditures of state awards to the state revenues per the College's basic financial statements.

Revenues per schedule of expenditures of state awards	\$ 27,307,061
Plus:	
Prior year adjustment	<u>2,883</u>
Revenues per basic financial statements	<u>\$ 27,309,944</u>
Revenues per basic financial statements	
Operating revenue - state grants	\$ 2,561,334
Non-operating revenue:	
State appropriations	24,620,871
Capital grants	<u>127,739</u>
Total	<u>\$ 27,309,944</u>

Moraine Park Technical College

Notes to the Schedule of Findings and Questioned Costs For the Year Ended June 30, 2019

SECTION I - SUMMARY OF AUDITORS' RESULTS

BASIC FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
▶ Material weakness(es) identified?	No
▶ Significant deficiency(ies) identified?	None Reported
Noncompliance material to basic financial statements noted?	No

FEDERAL AND STATE AWARDS

Internal control over major program:	
▶ Material weakness(es) identified?	No
▶ Significant deficiency(ies) identified?	None Reported
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Any audit findings disclosed that are required to be reported in accordance with the <i>State Single Audit Guidelines</i> ?	No
Identification of major federal and state programs:	

CFDA Number	Name of Federal Program
84.007	Student Financial Aid Cluster
84.033	Federal Supplemental Educational Opportunity Grants (SEOG)
84.063	Federal Work Study Program
84.268	Federal PELL Grant Program
	Federal Direct Loans

State ID Number	Name of State Program
235.102	Wisconsin Higher Education Grant
292.105	State Aid for Technical Colleges
292.162	Property Tax Relief Aid

Audit threshold used to determine between Type A and Type B programs:	
Federal Awards	\$750,000
State Awards	\$250,000
Auditee qualified as low-risk auditee	Yes

Moraine Park Technical College

Notes to the Schedule of Findings and Questioned Costs For the Year Ended June 30, 2019

SECTION II - FINANCIAL STATEMENT FINDINGS

There are no findings related to the basic financial statements required to be reported under *Government Auditing Standards* generally accepted in the United States of America for the year ended June 30, 2019.

SECTION III - FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

There are no findings required to be reported in accordance with the CFR 200.516(a) or *State Single Audit Guidelines* for the year ended June 30, 2019.

Moraine Park Technical College

Notes to the Schedule of Findings and Questioned Costs For the Year Ended June 30, 2019

SECTION IV - OTHER ISSUES

1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? No
2. Does the audit report show audit issues (i.e. material non-compliance, non-material non-compliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:
 - Wisconsin Department of Transportation No
 - Wisconsin Technical College System Board No
 - Wisconsin Higher Education Aids Board No
 - Wisconsin Department of Natural Resources No
 - Wisconsin Department of Workforce Development No
 - Wisconsin Department of Revenue No
3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? No

4. Name and signature of partner



Bryan Grunewald, CPA
December 6, 2019

5. Date of report

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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*

To the District Board
Moraine Park Technical College District
Fond du Lac, 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 Moraine Park Technical College District, Fond du Lac, Wisconsin (the "District") as of and for the year ended June 30, 2019, 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 6, 2019. The financial statements of Moraine Park Technical College Foundation, Inc. were not audited in accordance with Government Auditing Standards.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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.

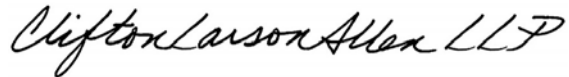
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies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

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 determination of financial statement amounts. 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 result of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Sheboygan, Wisconsin
December 6, 2019



Independent auditors' report on compliance for each major federal and state program and on internal control over compliance required by the Uniform Guidance and the *State Single Audit Guidelines*

To the District Board
Moraine Park Technical College District
Fond du Lac, Wisconsin

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM

We have audited Moraine Park Technical College District, Fond du Lac, Wisconsin's (the "District's") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2019. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on compliance for each of the District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, Uniform Guidance and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the District's compliance.

OPINION ON EACH MAJOR FEDERAL AND STATE PROGRAM

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2019.

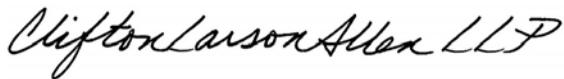
REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Sheboygan, Wisconsin
December 6, 2019

Building Our Community's Workforce



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