

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

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 29, 2024

NEW ISSUE

Non-Bank Qualified

Moody's Rated "Aa1"  
(See "RATING" herein)

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

\$13,500,000

NORTHCENTRAL TECHNICAL COLLEGE DISTRICT, WISCONSIN

Clark, Langlade, Lincoln, Marathon, Menominee, Portage, Price, Shawano, Taylor, and Waupaca Counties  
General Obligation Promissory Notes

Dated: May 30, 2024

Due: As shown below

The \$13,500,000 General Obligation Promissory Notes (the "Notes") will be dated May 30, 2024, will be in the denomination of \$5,000 each or any multiple thereof, and will mature on September 1, 2024 and serially on March 1 of the years 2025 through 2029. Interest on the Notes shall be payable commencing on September 1, 2024 and semi-annually thereafter on March 1 and September 1 of each year.

MATURITY SCHEDULE

				CUSIP (1) Base 658545					CUSIP (1) Base 658545
Maturity	Amount	Rate	Yield		Maturity	Amount	Rate	Yield	
September 1, 2024	\$1,550,000				March 1, 2027	\$1,270,000			
March 1, 2025	6,745,000				March 1, 2028	1,330,000			
March 1, 2026	1,205,000				March 1, 2029	1,400,000			

The Notes are being issued pursuant to Section 67.12(12) of the Wisconsin Statutes. The Notes will be general obligations of the Northcentral Technical College District, Wisconsin (the "District") for which its full faith and credit and unlimited taxing powers are pledged which taxes may, under current law, be levied without limitation as to rate or amount. The Notes shall be issued for the purpose of paying the cost of the District's 2024-25 Capital Budget, to wit: construction of building additions on the Wausau Campus (not to exceed \$1,500,000); construction of building additions on the Merrill Campus (not to exceed \$1,500,000); remodeling and improvement projects (not to exceed \$1,500,000); building and site maintenance and repairs; site improvements; and equipment acquisition, installation and related costs (the "Project").

The Notes are not subject to call and prior redemption. (See "REDEMPTION PROVISIONS" herein.)

The Financial Advisor to the District is:



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

*The District's Notes are offered when, as and if issued subject to the approval of legality by Griggs Law Office LLC, Milwaukee, Wisconsin, Bond Counsel. The anticipated settlement date for the Notes is on or about May 30, 2024.*

BIDS TAKEN: MAY 6, 2024 AT 10:30 A.M. (CT)

AWARD DATE: MAY 7, 2024 (BOARD MEETING TIME: 1:00 P.M. (CT))

<sup>(1)</sup>CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems, Inc. Copyright(c) 2024 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for services provided by CGS. CUSIP® numbers are provided for convenience of reference only. None of the District, the Financial Advisor, the Underwriter or their agents or counsel assume responsibility for the accuracy of such numbers

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT, WISCONSIN**  
**Clark, Langlade, Lincoln, Marathon, Menominee,**  
**Portage, Price, Shawano, Taylor, and Waupaca Counties**

**DISTRICT BOARD**

Paul Proulx, Chairperson  
Troy Brown, Vice Chairperson  
Charlie Paulson, Secretary/Treasurer  
Sherry Bunten, Member  
Michael Endreas, Member  
Tom Felch, Member  
Keith Langenhahn, Member  
Tucona Crowder, Member  
Heather Renzelmann, Member

**ADMINISTRATION**

Dr. Jeannie Worden, President  
Dr. Sarah Dillon, Vice President of Student Services and Regional Campuses  
Dr. Darren Ackley, Provost and Vice President for Learning  
Cher Vink, JD, Vice President of Human Resources and Risk Management  
Dr. Chet Strebe, Vice President of Business and Technology  
Katrina Felch, Vice President of Community and Government Relations  
Christina Rickert, Director of Finance

**PROFESSIONAL SERVICES**

**District Attorney:** Michael Best & Friedrich LLP, Milwaukee, Wisconsin  
**Financial Advisor:** Robert W. Baird & Co. Incorporated, Milwaukee, Wisconsin  
**Bond Counsel:** Griggs Law Office LLC, Milwaukee, Wisconsin  
**Paying Agent Contact:** District officials, Northcentral Technical College District, Wisconsin\*

*\*Christina Rickert is the contact for any paying agent matters.*

## REGARDING USE OF THIS OFFICIAL STATEMENT

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

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

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

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

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

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

**IN CONNECTION WITH THE OFFERING OF THE NOTES, THE UNDERWRITER MAY OR MAY NOT OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICES OF THE NOTES AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME WITHOUT NOTICE. THE PRICES AND OTHER TERMS RESPECTING THE OFFERING AND SALE OF THE NOTES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER AFTER THE NOTES ARE RELEASED FOR SALE AND THE NOTES MAY BE OFFERED AND SOLD AT PRICES OTHER THAN THE INITIAL OFFERING PRICES, INCLUDING SALES TO DEALERS WHO MAY SELL THE NOTES INTO INVESTMENT ACCOUNTS.**

## TABLE OF CONTENTS

	<u>Page</u>
DISTRICT BOARD.....	2
ADMINISTRATION .....	2
PROFESSIONAL SERVICES.....	2
REGARDING USE OF THIS OFFICIAL STATEMENT .....	3
SUMMARY .....	5
INTRODUCTORY STATEMENT .....	6
ESTIMATED SOURCES AND USES .....	6
REDEMPTION PROVISIONS.....	6
CONSTITUTIONAL AND STATUTORY CONSIDERATIONS AND LIMITATIONS CONCERNING THE DISTRICT'S POWER TO INCUR INDEBTEDNESS .....	6
THE RESOLUTIONS .....	7
THE DISTRICT .....	8
GENERAL INFORMATION.....	11
DEMOGRAPHIC AND ECONOMIC INFORMATION .....	12
LARGEST EMPLOYERS.....	13
LARGEST TAXPAYERS.....	14
TAX LEVIES, RATES AND COLLECTIONS .....	15
EQUALIZED VALUATIONS.....	17
INDEBTEDNESS OF THE DISTRICT .....	18
FINANCIAL INFORMATION .....	20
GENERAL FUND SUMMARY .....	21
UNDERWRITING.....	22
RATING.....	22
TAX EXEMPTION.....	22
NO DESIGNATION AS QUALIFIED TAX-EXEMPT OBLIGATIONS .....	24
CONTINUING DISCLOSURE.....	24
BOOK-ENTRY-ONLY SYSTEM .....	24
LITIGATION .....	26
LEGAL MATTERS .....	26
MUNICIPAL BANKRUPTCY .....	26
FINANCIAL ADVISOR .....	27
MISCELLANEOUS .....	27
AUTHORIZATION.....	27

Appendix A: Annual Comprehensive Financial Report for the year ended June 30, 2023

Appendix B: Form of Continuing Disclosure Certificate

Appendix C: Form of Legal Opinion

Appendix D: Official Notice of Sale and Bid Form



## SUMMARY

<b>District:</b>	Northcentral Technical College District, Clark, Langlade, Lincoln, Marathon, Menominee, Portage, Price, Shawano, Taylor, and Waupaca Counties, Wisconsin.
<b>Issue:</b>	\$13,500,000 General Obligation Promissory Notes.
<b>Dated Date:</b>	May 30, 2024.
<b>Interest Due:</b>	Commencing September 1, 2024 and on each March 1 and September 1 thereafter. Interest on the Notes will be computed on the basis of a 30-day month and a 360-day year.
<b>Principal Due:</b>	September 1, 2024 and March 1, 2025 through 2029.
<b>Redemption Provision</b>	The Notes are not subject to call and prior redemption. (See "REDEMPTION PROVISIONS" herein.)
<b>Security:</b>	The full faith, credit and resources of the District are pledged to the payment of the principal of and the interest on the Notes as the same become due and, for said purposes, there are levied on all the taxable property in the District, direct, annual irrepealable taxes in each year and in such amounts which will be sufficient to meet such principal and interest payments when due. Under current law, such taxes may be levied without limitation as to rate or amount.
<b>Purpose:</b>	The Notes shall be issued for the purpose of paying the cost of the District's 2024-25 Capital Budget, to wit: construction of building additions on the Wausau Campus (not to exceed \$1,500,000); construction of building additions on the Merrill Campus (not to exceed \$1,500,000); remodeling and improvement projects (not to exceed \$1,500,000); building and site maintenance and repairs; site improvements; and equipment acquisition, installation and related costs (the "Project").
<b>Tax Status:</b>	Interest on the Notes is excluded from gross income for federal income tax purposes. (See "TAX EXEMPTION" herein.)
<b>Credit Rating:</b>	This issue has been assigned an "Aa1" rating by Moody's Investors Service, Inc. (See "RATING" herein.)
<b>No Bank-Qualification:</b>	The Notes shall <u>NOT</u> be designated as "qualified tax-exempt obligations".
<b>Record Date:</b>	The 15th day of the calendar month next preceding each interest payment date.
<b>Bond Years:</b>	22,722.50 years.
<b>Average Life:</b>	1.683 years.

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

## INTRODUCTORY STATEMENT

This Official Statement presents certain information relating to the Northcentral Technical College District, Wisconsin (the "District" and the "State" respectively) in connection with the sale of the District's \$13,500,000 General Obligation Promissory Notes (the "Notes"). The Notes are issued pursuant to the Constitution and laws of the State and the resolutions (the "Resolutions") adopted by the District and other proceedings and determinations related thereto.

The resolutions will provide that the District will establish a separate debt service fund with respect to payment of principal and interest on the Notes. In practice, the District will maintain a separate account in its debt service fund for this issue. This is in accordance with the traditional interpretation by the District of its obligation under prior note and bond resolutions respecting the maintenance of separate funds. All summaries of statutes, documents and the Resolutions contained in this Official Statement are subject to all the provisions of, and are qualified in their entirety by reference to such statutes, documents and the Resolutions, and references herein to the Notes are qualified in their entirety by reference to the form thereof included in the Resolutions. Copies of the Resolutions may be obtained from the Financial Advisor (defined herein) upon request.

If in any year there shall be insufficient funds from the respective tax levies to pay the principal of or interest on the Notes when due, the principal and interest will be paid from other funds of the District on hand, said amounts to be returned when the taxes levied have been collected.

## ESTIMATED SOURCES AND USES\*

### **Sources of Funds**

Par Amount of Notes	\$13,500,000.00
Total Sources of Funds	<u>\$13,500,000.00</u>

### **Uses of Funds**

Deposit to Project Construction Fund	\$13,500,000.00
Total Uses of Funds	<u>\$13,500,000.00</u>

*\*Preliminary, subject to change.*

## REDEMPTION PROVISIONS

### **Optional Redemption**

The Notes are not subject to call and prior redemption.

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

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

### **Purpose**

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

### **General Obligation Bonds**

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

outstanding notes or bonds issued by the District may be payable no later than twenty years following the original date of such outstanding notes or bonds.

### **Promissory Notes**

In addition to being authorized to issue bonds, the District is authorized to borrow money using promissory notes for any public purpose. To evidence such indebtedness, the District must issue to the lender its promissory notes (with interest) payable within a period not exceeding 20 years following the date of said notes. Such notes constitute a general obligation of the District. Notes may be issued to refinance or refund outstanding notes. However, such notes must be payable not later than twenty years following the original date of such outstanding notes.

### **Temporary Borrowing**

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

### **Debt Limit**

Wisconsin Statutes limit the aggregate amount of District indebtedness to an amount not to exceed five percent (5%) of the value of taxable property located in the District. The maximum bonded indebtedness of the District for purchasing school sites and constructing and equipping buildings may not exceed two percent (2%) of the value of the taxable property within the District. For information with respect to the District's percent of legal debt incurred, see the caption **INDEBTEDNESS OF THE DISTRICT** -- "Debt Limit," herein.

## **THE RESOLUTIONS**

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

### **Authorizing Resolution**

By way of a resolution adopted on April 9, 2024 (the "Authorizing Resolution"), the District authorized the issuance of general obligation promissory notes in an aggregate amount of \$13,500,000 for the purpose of paying the cost of the District's 2024-25 Capital Budget, to wit: construction of building additions on the Wausau Campus (not to exceed \$1,500,000); construction of building additions on the Merrill Campus (not to exceed \$1,500,000); remodeling and improvement projects (not to exceed \$1,500,000); building and site maintenance and repairs; site improvements; and equipment acquisition, installation and related costs (the "Project").

As required by Wisconsin Statute, notice of the adoption of the Authorizing Resolution was published in the required newspaper on April 10, 2024. The resolution authorizing the issuance of the Notes is subject to referendum if, within 30 days after publication of the notice of adoption of the resolution, a sufficient petition requesting a referendum is filed by the electors of the District. The petition period for the Authorizing Resolution will expire on May 10, 2024. Award of the Notes will be made subject to expiration of the petition period without the filing of a sufficient petition for referendum.

### **Award Resolution**

By way of a resolution to be adopted on May 7, 2024, (the "Award Resolution") the Board will accept the bid (or reject all bids) of the Underwriter for the purchase of the Notes, in accordance with bid specifications, provide the details and form of the Notes, and set out certain covenants with respect thereto. The Award Resolution pledges the full faith, credit and resources of the District to payments of the principal of and interest on the Notes. Pursuant to the Award Resolution, the amount of direct, annual, irrevocable taxes levied for collection in the years 2024 through 2029 which will be sufficient to meet the principal and interest payments on the Notes when due will be specified. The Award Resolution establishes separate and distinct from all other funds of the District a debt service fund with respect to payment of principal of and interest on the Notes.

## THE DISTRICT

The Northcentral Technical College District Board (the “District Board”) is comprised of nine members, all of whom are district residents. The membership consists of two employer members, two employee members, three additional members, one elected official and one school district administrator. An appointment committee, consisting of the chair of each of the ten counties wholly or partly in the district, makes the board member appointments. Members of the board take office on July 1 and serve staggered three-year terms.

The present members of the District Board and the expiration of their respective terms of office are as follows:

<u>Name</u>	<u>Position and Employer</u>	<u>Expiration of Term</u>
Paul Proulx, Chairperson	School Board Member	June 30, 2026
Troy Brown, Vice Chairperson	President, Kretz Lumber Co. Inc.	June 30, 2025
Charlie Paulson, Secretary/Treasurer	Vice President of Commercial Lending, Nicolet National Bank	June 30, 2026
Sherry Bunten, Member	President, Aspirus Langlade Hospital	June 30, 2024
Michael Endreas, Member	District Administrator, Spencer Public Schools	June 30, 2024
Tom Felch, Member	President, J&D Tube Benders	June 30, 2026
Keith Langenhahn, Member	Field Services Representative, Wisconsin Counties Association	June 30, 2024
Tucona Crowder, Member	Human Resources Director, Greenheck Group	June 30, 2025
Heather Renzelmann, Member	Legal Analyst, Church Mutual Insurance Company	June 30, 2025

*Source: The District.*

### **Administration**

<u>Name</u>	<u>Title</u>	<u>Years of Service</u>
Dr. Jeannie Worden	President	28
Dr. Sarah Dillon	Vice President of Student Services and Regional Campuses	19
Dr. Darren Ackley	Provost and Vice President for Learning	15
Cher Vink, JD	Vice President of Human Resources and Risk Management	6
Dr. Chet Strebe	Vice President of Business and Technology	28
Katrina Felch	Vice President of Community and Government Relations	19
Christina Rickert	Director of Finance	2*

*\*Christina Rickert was previously the Associate Vice Chancellor/Controller at the University of Wisconsin-Stevens Point.*

*Source: The District.*

## **Enrollments**

Shown below are the historical enrollments through 2022-23, estimated enrollments for 2023-24 and projected enrollments through 2028-29.

Enrollment Year	Associate Degree	Vocational Diploma	Continuing Education	Basic Education	Unduplicated Total <sup>(1)</sup>	Duplicated Total <sup>(2)</sup>	FTE Total
2018-19	8,542	1,420	9,458	4,653	19,220	57,311	2,798
2019-20	8,760	1,300	7,845	4,947	17,801	57,713	2,862
2020-21	8,346	1,214	6,432	4,681	16,078	55,591	2,755
2021-22	8,722	1,143	8,681	4,792	18,686	58,526	2,691
2022-23	8,594	1,100	9,620	4,973	19,545	59,268	2,645
2023-24*	9,000	1,350	9,650	5,225	20,500	61,000	2,725
2024-25**	9,100	1,400	10,100	5,350	21,500	62,500	2,805
2025-26**	9,100	1,400	10,100	5,350	21,500	62,500	2,805
2026-27**	9,100	1,400	10,100	5,350	21,500	62,500	2,805
2027-28**	9,100	1,400	10,100	5,350	21,500	62,500	2,805
2028-29**	9,100	1,400	10,100	5,350	21,500	62,500	2,805

\*Estimated. Estimated enrollments are based on 2023-24 week #43 point-in-time comparisons.

\*\*Projected. Projected enrollments are based on a 2,805 FTE budget projection for 2024-25.

<sup>(1)</sup> The Unduplicated Total is a head count of students enrolled at the District.

<sup>(2)</sup> The Duplicated Total is a head count of students enrolled in each program at the District, and double counts students if they are enrolled in more than one program.

Source: The District.

## **Employment Relations**

Classification	2023-24
Instructors	152
Administrators/Supervisors	77
Specialists	39
Other Staff	172
TOTAL EMPLOYEES	440

Source: The District.

The District considers its relationship with the employee groups to be positive.

Northcentral Technical College Faculty Association, which represents the faculty and advisors, did not request a representation election in 2022 and did not recertify in 2021 after seeking a representation election. The Support Professionals group has not been represented for collective bargaining purposes since 2012.

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

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

Under the changes to MERA, impasse resolution procedures were removed from the law for municipal employees of the type employed by the District, including binding interest arbitration. Strikes by any municipal employee or labor organization are expressly prohibited. Furthermore, if strikes do occur, they may be enjoined by the

courts. Additionally, because the only legal subject of bargaining is total base wages, all bargaining over items such as just cause, benefits, and terms of conditions of employment are prohibited and cannot be included in a collective bargaining agreement.

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

### **Pension Plan**

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

District employees are required to contribute half of the actuarially determined contributions, and the District may not pay the employees' required contribution. During the fiscal years ended June 30, 2021 ("Fiscal Year 2021"), June 30, 2022 ("Fiscal Year 2022") and June 30, 2023 ("Fiscal Year 2023") the District's portion of contributions to WRS (not including any employee contributions) totaled \$1,856,409, \$1,865,540 and \$1,938,108, respectively.

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

As of December 31, 2022, the total pension liability of the WRS was calculated as \$123.7 billion and the fiduciary net position of the WRS was calculated as \$118.4 billion, resulting in a net pension liability of \$5.3 billion.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2023, the District reported a liability of \$8,641,427 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2022 based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. The District's proportion was 0.16311647% of the aggregate WRS net pension liability as of December 31, 2022.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of the net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see Note 7 in "Appendix A - Annual Comprehensive Financial Report for the Year Ended June 30, 2023" attached hereto.

### **Other Post-Employment Benefits**

The District administers a single-employer defined benefit health care plan. The plan provides medical insurance benefits to eligible retirees through the District's group medical insurance plan, which covers both active and retired members. The eligibility requirements are based on the retiree's position, years of service, and age at retirement. Membership of the plan consisted of 192 retirees and 289 active plan members as of June 30, 2023.

OPEB calculations are required to be updated every two years and prepared in accordance with Statement No. 74 and 75 of the Governmental Accounting Standards Board regarding Financial Reporting for Post-Employment Benefit Plans Other Than Pension Plans, and Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions. An OPEB study for the District was last completed through end of the fiscal year June 30, 2023.

Effective July 1, 2012, full-time employees hired on or after July 1, 2012 will not be eligible for post-retirement benefits. For eligible exempt employees hired prior to July 1, 2012 that work 15 years and retire between age 62 and 64, a post-retirement health insurance plan is available. For eligible non-exempt employees hired prior to July 1, 2012 that work 20 years and retire between age 62 and 64, a post-retirement health insurance plan is available.

The District's total OPEB liability was \$4,516,688 on June 30, 2022. Changes in total OPEB liability: service cost of \$87,451, plus Interest \$99,225, plus changes of benefit terms \$0.00, less differences between expected and actual experience \$171,213, plus changes of assumptions or other input \$624,071, less benefit payments \$300,821 resulted in total OPEB liability of \$3,607,259 as of June 30, 2023. The District's funding practice has been to fully fund the yearly amount of benefit premiums on a "pay-as-you-go-basis."

For more information, see Note 8 in "Appendix A - Annual Comprehensive Financial Report for the Year Ended June 30, 2023" attached hereto.

## **GENERAL INFORMATION**

### **Reporting Entity**

The District is a customer-focused, accessible provider of innovative lifelong learning that builds a globally competitive workforce. The College's 5,900 square mile, 10-county district includes six convenient campus locations in Wausau, Antigo, Medford, Phillips, Spencer and Wittenberg, as well as a Public Safety Center of Excellence in Merrill, a Wood Technology Center of Excellence in Antigo and an Agriculture Center of Excellence just north of the Wausau Campus in the Village of Maine. The Wausau Campus also features a Center for Health Sciences, Center for Business & Industry, Information Technology & Entrepreneurial Center (iTEC), STEM Center, Engineering + Advanced Manufacturing Center of Excellence, SPOONS restaurant, Studio Max Salon + Spa, esports Arena, Emergency Services Training Center and Communication Technology Center of Excellence. With 190+ associate degree, technical diploma, and short-term certificate and credential programs, the District is committed to being your community's college. By establishing a close connection with the community, the District fills a critical and growing need for a skilled workforce by providing comprehensive, quality education and training.

The District is accredited by The Higher Learning Commission (HLC) and is a member of the North Central Association. The District is also accredited by several program specific accrediting organizations.

### **Economic Condition and Outlook**

The District covers all or portions of ten counties and encompasses 5,900 square miles, which is similar in size to the State of Connecticut. The District's economy is based on diversified manufacturing, service industries, agriculture, forest products, tourism and health care.

For January 2024, Wisconsin's unemployment rate (not seasonally adjusted) was 2.8 percent. Locally, nine of the ten counties in the NTC District are experiencing an unemployment rate at or above the state average. Marathon County has the lowest in-District rate at 2.5 percent for January 2024, followed by Shawano County at 2.8 percent. Menominee County and Taylor County had the highest unemployment rates in the District at 4.2 percent.

## **Student Services**

The District has an open-access policy to the services and programs of the college, and believes that all persons should have the chance to succeed in their academic goals. Admission requirements vary by program. In general, students are able to demonstrate readiness through multiple measures. Admission practices are designed to provide a path to student success for all students.

## **Degree Programs**

Dedicated to delivering accessible, attainable and flexible educational opportunities, the District offers over 190 associate degree, technical diploma and short-term certificate programs, as well as high school completion programs, basic skills education, continuing education and customized business training opportunities. The District also offers a variety of flexible course and program options, including online, eight-week and summer programs and courses. Many students also chose to continue their learning by transferring to one of our 50+ University of Wisconsin and private four-year universities, including Michigan Tech, UW-Stevens Point, UW-Green Bay and many others who partner with the District for transferability with junior status. Each associate degree at the District transfers to at least one of our four year partners - and with over 400 transfer agreements in place, there is an option for everyone. For students who want to complete their AA or AS degree, the District also offers a University Transfer degree.

## **DEMOGRAPHIC AND ECONOMIC INFORMATION**

### **Population**

	The District <sup>(1)</sup>	Lincoln County	Marathon County	Price County
Estimate, 2023	215,840	28,353	139,197	13,920
Estimate, 2022	216,131	28,431	139,205	14,026
Estimate, 2021	<sup>(2)</sup>	28,873	138,934	14,269
Census, 2020	216,330	28,415	138,013	14,054
Estimate, 2019	215,759	28,957	136,517	14,216

<sup>(1)</sup> District population estimates are based on Wisconsin Department of Administration Final Population Estimates for 2022.

<sup>(2)</sup> Not available.

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

### **Per Tax Return Adjusted Gross Income**

	State of Wisconsin	Lincoln County	Marathon County	Price County
2022	\$70,548	\$58,842	\$71,952	\$50,473
2021	66,369	54,291	67,121	47,424
2020	61,518	50,027	63,637	43,400
2019	61,003	49,279	62,278	43,851
2018	59,423	48,081	59,993	43,133

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



## **Unemployment Rate**

	State of Wisconsin	Lincoln County	Marathon County	Price County
Average, 2023	3.0%*	**	**	**
Average, 2022	2.9	3.1%	2.5%	3.4%
Average, 2021	3.9	3.7	3.0	4.3
Average, 2020	6.4	6.0	5.0	6.9
Average, 2019	3.2	3.5	2.8	4.2

\*Preliminary.

\*\*Not yet available.

Source: Wisconsin Department of Workforce Development.

## **LARGEST EMPLOYERS**

### **Lincoln County**

Employer Name	Type of Business	Number of Employees
Church Mutual Insurance Company	Insurance	1,044
Harley Davidson Motor Corporation	Motorcycle dealer	840
Merrill Area Common Public School District	Education	359
Lincoln Wood Products Inc.	Manufacturer of windows/doors	300
Lincoln County	Government	257
Tomahawk Historical Society	Museum	200
Pine Crest Nursing Home	Skilled nursing care facility	180
Aspirus Merrill Hospital	Healthcare	167
Tomahawk School District	Education	165
Weinbrenner Shoe Company	Manufacturer of Footwear	150

Source: Data Axel Genie ([www.salesgenie.com](http://www.salesgenie.com)) and Wisconsin Department of Public Instruction.

### **Marathon County**

Employer Name	Type of Business	Number of Employees
ASPIRUS Hospital (Wausau only)	Health care	2,228
Umr Inc.	Insurance	2,000
Marathon Cheese Corporation	Cheese packaging	1,888
Kolbe & Kolbe Millwork Co.	Manufacturer of windows/doors	1,588
County Materials Corp	Ready mixed concrete manufacturers	1,500
Sheet Metal Workers Intl Assn	Labor Organization	1,300
Wausau School District	Education	1,145
Regal Rexnord Corp	Electric Motor Manufacturer	1,000
Abbyland Foods Inc.	Manufacturer of meat products	1,000
North Central Health Care	Health care	800

Source: Data Axel Genie ([www.salesgenie.com](http://www.salesgenie.com)) and Wisconsin Department of Public Instruction.

**Price County**

<u>Employer Name</u>	<u>Type of Business</u>	<u>Number of Employees</u>
BW Papersystems	Manufacturer of industrial equipment products	1,420
Price County	Government	186
Marshfield Medical Center	Hospital	184
Park Manor Ltd.	Skilled nursing care	160
Aspirus Pleasant View Health Care	Skilled nursing care & convalescent	152
US Park Falls Ranger District	Manufacturer of log splitting equipment	150
St Croix of Park Falls LTD	Sporting and Athletic Goods Manufacturer	150
Phillips Plating Corp.	Plating manufacturer	125
Chequamegon School District	Education	120
Pick'n Save	Grocery store	110

Source: Data Axel Genie ([www.salesgenie.com](http://www.salesgenie.com)), Wisconsin Department of Public Instruction and direct employer contacts.

**LARGEST TAXPAYERS****Lincoln County**

<u>Taxpayer Name</u>	<u>Type of Business/Property</u>	<u>2023 Assessed Valuation</u>
Spirit Falls Timber, LLC	Forestry	\$38,319,500
Packaging Corporation of America	Paper mill/manufacturer of corrugated medium	16,123,300
Minocqua Timber, LLC	Forestry	12,517,100
Wal-Mart Properties	Retail	10,050,400
SCS Merrill LLC	Real estate development	9,387,600
Church Mutual Insurance Company	Insurance	8,079,800
Hanson Bros, LLC	Forestry	7,528,400
Park City Credit Union	Bank	6,265,300
Harley-Davidson Motor Corporation	Manufacturer of motorcycles	5,733,900
Marshfield Clinic	Health care	4,364,400
	<b>TOTAL</b>	<b>\$118,369,700</b>

Source: Lincoln County.

**Marathon County**

<u>Taxpayer Name</u>	<u>Type of Business/Property</u>	<u>2023 Assessed Valuation</u>
Great Lakes Cheese of Wausau Wisconsin LLC	Food manufacturing	\$51,283,700
GreenHeck Fan Corporation	Manufacturer of industrial fans	36,299,000
Aspirus Wausau Hospital Inc.	Health care	34,162,200
Marshfield Clinic	Health care	32,159,500
First Wausau Tower LLC	Commercial high-rise building	30,452,400
MCHS Hospitals Inc.	Health care	28,677,300
Apogee Wausau Group Inc.	Door and window manufacturer	27,875,300
Wausau Hospitals Inc.	Health care	23,821,500
Menards Inc.	Retail	23,737,200
Wausau Supply Co.	Supplier of building materials	21,178,000
	<b>TOTAL</b>	<b>\$309,646,100</b>

Source: Marathon County.

**Price County**

Taxpayer Name	Type of Business/Property	2023
		Assessed Valuation
Park Manor, LTD.	Skilled nursing and rehabilitation home	\$5,838,600
Marquip Properties LLC	Manufacturer of industrial equipment products	5,519,300
Phillips Plastics Corporation	Manufacturer of plastic products	5,175,800
Forward Bank	Finance	3,563,000
Mason Lake Resort	Resort	3,431,500
Kwik Trip Inc.	Gas station	3,198,700
Weather Shield Manufacturing Inc.	Manufacturer of windows/doors	3,071,100
Northwoods Group Realty LLC	Realty	2,970,400
Flambeau Hospital Inc.	Hospital	2,297,100
Phillips Lionite Wood Products Co. LLC	Hardboard production	2,147,500
TOTAL		<u>\$37,213,000</u>

Source: Price County.

### TAX LEVIES, RATES AND COLLECTIONS

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

The 2013 Wisconsin Act 20, among other things, eliminated the mill rate limitation that had been in place for technical college districts in previous fiscal years, and in its place, introduced a tax levy limitation (the "Tax Levy Limit"). 2013 Wisconsin Act 145 (the "Act 145"), replaced the Tax Levy Limit with a revenue limit (the "Revenue Limit") beginning in Fiscal Year 2015. Act 145 also shifted a portion of funding for technical college districts in the State from property taxes levied by the districts to a State aid payment by replacing \$406 million of property tax levies with a State payment beginning in 2015 (the "State Aid"). The amount of State Aid a particular technical college district will receive will be equal to the share of the district's equalized value as compared to the aggregate equalized value of all technical college districts in the State as of January 1, 2014. The first State Aid payment was made on February 20, 2015. Thereafter, the State Aid payment will be made on the 3rd Friday in February each year.

Under Section 38.16 of the Wisconsin Statutes, as amended by Act 145, the Board may levy a tax on the full equalized value of taxable property within the area served by the District for the purposes of making capital improvements, acquiring equipment, operating and maintaining schools and paying principal and interest on valid bonds and notes issued by the District. However, unless approved by referendum and except for taxes levied to pay debt service on valid bonds and notes (other than Noncapital Notes as defined below), the District's revenue ("Revenue") in the 2014-15 school year or any school year thereafter may not be increased by an amount in excess of the District's valuation factor (as described below). Revenue is defined in Section 38.16 of the Wisconsin Statutes as the sum of: (i) the District's tax levy and (ii) the State Aid payment described in the paragraph above. Except in limited circumstances as provided in Section 38.16 of the Wisconsin Statutes, if the Board exceeds its Revenue Limit, the State Technical College System Board is required to make corresponding reductions in state aid payments received by the District.

The calculation of the District's tax levy under the Revenue Limit excludes taxes levied for the purpose of paying principal and interest on valid bonds and notes issued by the District to finance any capital project or equipment with a useful life of more than one year or to refund any municipal obligations or any interest on municipal obligations. However, the calculation of the District's tax levy under the Revenue Limit does apply to notes issued by the District under Section 67.12(12) of the Wisconsin Statutes on or after July 2, 2013 for other purposes (in essence non-capital purposes) ("Noncapital Notes").

Under the Revenue Limit, the District is prohibited from increasing its Revenue (for all purposes except paying principal and interest on valid bonds and notes other than Noncapital Notes) by a percentage that exceeds its valuation factor. Valuation factor is defined as a percentage equal to the greater of (i) the percentage change in the District's January 1 equalized value due to aggregate new construction, less improvements removed, in municipalities located in the District between the previous year and the current year, as determined by the Wisconsin Department of Revenue or (ii) zero percent. If a municipality is located in two or more districts, the Wisconsin Department of Revenue shall apportion the value of the aggregate new construction, less improvements removed, in the municipality among the districts based on the percentage of the municipality's equalized value located in each district. The Revenue Limit permits an increase in Revenue (i) if the District's actual Revenue in any school year is less than its allowable Revenue, allowing the District to carry forward the difference between the allowable Revenue and the actual Revenue, up to a maximum of 0.5% of the prior year's actual Revenue, if the District's Board approves the increase by a three-fourths vote, (ii) with the approval of the electors of the District pursuant to a referendum, or (iii) in an amount equal to the amount of any refunded or rescinded property taxes paid by the Board in the year of the levy if they result in a redetermination of the District's equalized valuation by the Wisconsin Department of Revenue. For the 2023-24 school year, the District established a mill rate of \$0.46549 for operational purposes and \$0.65000 for payment of debt.

The District cannot predict whether there will be any other legislation affecting District's property taxes and revenues in the future.

Set forth below are the taxes levied and the tax rate per \$1,000 equalized value on all taxable property within the District. The rates as set forth include amounts levied for debt service:

Levy Year	Collection Year	District Tax Rate	District Levy	Uncollected Taxes as of August 20 of Each Year	Percent of Levy Collected
2023	2024	\$1.11549	\$26,564,481	- In Process of Collection -	
2022	2023	1.16987	24,615,099	-0-	100.00%
2021	2022	1.21066	22,640,206	-0-	100.00
2020	2021	1.26273	22,927,965	-0-	100.00
2019	2020	1.27009	21,902,757	-0-	100.00

Source: The District.

**2023-2024 Proportionate Amounts of Local Tax Revenue  
Per Municipality Based on 2023 Equalized Valuation**

<u>Municipality</u>	<u>2023 Equalized Valuation (TID OUT)*</u>	<u>Percent of Levy</u>	<u>Amount of Levy</u>
Clark County	\$835,145,843	3.506916%	\$931,594
Langlade County	1,599,147,989	6.715087	1,783,828
Lincoln County	1,680,492,606	7.056667	1,874,567
Marathon County	13,993,685,042	58.761801	15,609,767
Portage County	644,232,500	2.705239	718,633
Price County	362,305,889	1.521382	404,147
Shawano County	2,087,082,200	8.764004	2,328,112
Taylor County	886,967,187	3.724522	989,400
Waupaca County	1,684,629,213	7.074037	1,879,181
Menominee County	40,566,430	0.170345	45,251
<b>TOTAL</b>	<b>\$23,814,254,899</b>	<b>100.000000%</b>	<b>\$26,564,481</b>

*\*Some municipalities located within the District have created Tax Incremental Districts under Wisconsin Statutes Section 66.1105. TID valuations, totaling \$1,672,797,700 for these municipalities have been excluded from the District tax base for 2023.*

*Source: Wisconsin Department of Revenue.*

**EQUALIZED VALUATIONS**

All equalized valuations of property in the State of Wisconsin are determined by the State of Wisconsin, Department of Revenue, Supervisor of Assessments Office. Equalized valuations are the State's estimate of full market value. The State determines assessed valuations of all manufacturing property in the State. Assessed valuations of residential and commercial property are determined by local assessors.

Set forth in the table below are equalized valuations of property located within the District for the years 2019 through 2023. The District's Equalized Valuation (TID IN) has increased by 39.06 percent since 2019 with an average annual increase of 8.59 percent.

<u>Year</u>	<u>Equalized Valuation (TID IN)</u>	<u>Equalized Valuation (TID OUT)</u>
2023	\$25,487,052,599	\$23,814,254,899
2022	22,460,324,183	21,040,837,383
2021	19,953,168,922	18,700,654,022
2020	19,305,734,605	18,157,430,905
2019	18,328,289,807	17,244,992,207

*Source: Wisconsin Department of Revenue.*

## INDEBTEDNESS OF THE DISTRICT

### **Direct Indebtedness**

Set forth below is the direct indebtedness of the District, including principal and interest payments due on existing debt as well as debt service on the new issue. The interest on the new issue has been estimated using an average rate of 5.00 percent. Bond years are 22,722.50 years, with an average life of 1.683 years.

Year	Outstanding Debt		Notes		Total Debt Service Requirements*
	Principal	Interest	Principal	Interest*	
2024	\$12,430,000	\$1,325,725	\$1,550,000	\$170,625	\$15,476,350
2025	7,365,000	940,300	6,745,000	428,875	15,479,175
2026	7,670,000	686,816	1,205,000	230,125	9,791,941
2027	6,555,000	450,906	1,270,000	168,250	8,444,156
2028	4,505,000	279,384	1,330,000	103,250	6,217,634
2029	3,375,000	172,381	1,400,000	35,000	4,982,381
2030	2,385,000	97,400	0	0	2,482,400
2031	1,775,000	45,725	0	0	1,820,725
2032	750,000	12,188	0	0	762,188
	46,810,000	4,010,825	13,500,000	1,136,125	65,456,950
Less 2024 Sinking Funds	(12,430,000)	(1,325,725)	(1,550,000)	(170,625)	(15,476,350)
<b>TOTAL</b>	<b>\$34,380,000</b>	<b>\$2,685,100</b>	<b>\$11,950,000</b>	<b>\$965,500</b>	<b>\$49,980,600</b>

\*Preliminary, subject to change.

### **Future Financing**

The District borrows annually pursuant to its capital improvement plans. The District plans to borrow \$13,500,000 annually beginning in Fiscal Year 2025-26. This is a preliminary projection and is subject to change.

### **Default Record**

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

### **Overlapping and Underlying Indebtedness**

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

Entity	Amount of Debt (Net of 2024 Principal Payments)	Percent Chargeable to District	Outstanding Debt Chargeable to District
Total Counties	\$118,953,887	Varies	\$73,568,584
Total Cities	103,432,425	100.00%	103,432,425
Total Towns	21,212,955	Varies	20,416,645
Total Villages	59,992,431	100.00%	59,992,431
Total School Districts	278,859,570	Varies	277,740,080
Total Sanitary Districts	5,315,710	Varies	5,283,347
<b>TOTAL</b>	<b>\$587,766,978</b>		<b>\$540,433,512</b>

Source: Wisconsin Department of Revenue. Information provided by each municipal entity through publicly available disclosure documents available on [EMMA.msrb.org](http://EMMA.msrb.org) and the Wisconsin Department of Public Instruction and direct inquiries.

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

### **Statistical Summary**

The table below reflects direct, overlapping and underlying bonded indebtedness net of all 2024 principal payments.

Equalized Valuation (2023) as certified by Wisconsin Department of Revenue	\$25,487,052,599
Direct Bonded Indebtedness Including This Issue	\$46,330,000
Direct, Overlapping and Underlying Bonded Indebtedness Including This Issue	\$586,763,512
Direct Bonded Indebtedness as a Percentage of Equalized Valuation	0.18%
Direct, Overlapping and Underlying Bonded Indebtedness as a Percentage of Equalized Valuation	2.30%
Population of District (2023 Estimate)*	215,840
Direct Bonded Indebtedness Per Capita	\$214.65
Direct, Overlapping and Underlying Bonded Indebtedness Per Capita	\$2,718.51

*\*Source: Wisconsin Technical College System Board.*

### **Debt Limit**

As described under the caption "CONSTITUTIONAL AND STATUTORY CONSIDERATIONS AND LIMITATIONS CONCERNING THE DISTRICT'S POWER TO INCUR INDEBTEDNESS--Debt Limit," the total indebtedness of the District may not exceed five percent (5%)<sup>(1)</sup> of the equalized value of property in the District.

Set forth in the table below is a comparison of the outstanding indebtedness of the District, as of the closing of the Notes, as a percentage of the applicable debt limit.

Equalized Valuation (2023) as certified by Wisconsin Department of Revenue	\$25,487,052,599
Legal Debt Percentage Allowed	<u>5.00%</u>
Legal Debt Limit	\$1,274,352,630
Direct Bonded Indebtedness Including This Issue	<u>\$47,880,000</u>
Unused Margin of Indebtedness	\$1,226,472,630
Percent of Legal Debt Incurred	3.76%
Percentage of Legal Debt Available	96.24%

<sup>(1)</sup>The maximum bonded indebtedness of the District for the purposes of purchasing school sites and the constructing and equipping of school buildings may not exceed two percent (2%).

## **FINANCIAL INFORMATION**

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

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

### **Budgeting Process**

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

As part of the budgeting process, budget requests are submitted during the last half of the fiscal year by the teachers and departmental administrators of each program to Financial Services, who thereafter review and revise such requests and submit them, with their recommendations, to the District Director. After review and adjustment by the administrative staff of the District, the proposed budget is presented to the full District Board, at which time the proposed budget is reviewed with the District's administrative staff. After further review and adjustment, the proposed budget is again submitted to the full Board each year. The proposed budget is formally adopted by the District Board after the public hearings are held.

*[Remainder of page intentionally left blank.]*



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

	2023-24 BUDGET	2022-23 ACTUAL	2021-22 ACTUAL	2020-21 ACTUAL	2019-20 ACTUAL
<b>Revenues</b>					
Local government	\$10,188,325	\$9,591,597	\$9,564,800	\$10,129,140	\$9,560,884
State revenue	22,090,918	22,078,799	21,691,319	20,385,536	19,819,942
Federal revenue	6,985	6,550	6,985	7,315	8,075
Statutory program fees	8,892,600	8,872,369	8,750,712	8,930,664	8,899,300
Material fees	480,187	451,593	441,678	480,029	492,008
Other student fees	108,500	124,868	108,278	536,193	514,611
Institutional revenue	651,000	877,377	436,112	203,781	505,885
<b>Total revenues</b>	<b>42,418,515</b>	<b>42,003,153</b>	<b>40,999,884</b>	<b>40,672,658</b>	<b>39,800,705</b>
<b>Expenditures</b>					
Instruction	26,796,507	24,008,102	23,196,053	20,929,940	22,000,227
Instructional resources	1,197,131	1,087,668	938,770	689,827	937,026
Student services	3,051,331	2,781,409	2,683,733	2,348,244	2,416,874
General institutional	10,001,632	9,077,599	8,520,250	8,785,982	8,415,394
Physical plant	4,356,914	4,194,949	3,928,513	3,394,446	3,590,382
<b>Total expenditures</b>	<b>45,403,515</b>	<b>41,149,727</b>	<b>39,267,319</b>	<b>36,148,439</b>	<b>37,359,903</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(2,985,000)</b>	<b>853,426</b>	<b>1,732,565</b>	<b>4,524,219</b>	<b>2,440,802</b>
<b>Other financing sources (uses)</b>					
Operating transfers in	1,485,000	422,615	567,360	187,266	47,149
Operating transfers (out)	0	(1,447,729)	(2,111,000)	(1,150,000)	(800,000)
Reduction in fund balance	1,500,000	0	0	0	0
<b>Net other financing sources (uses)</b>	<b>2,985,000</b>	<b>(1,025,114)</b>	<b>(1,543,640)</b>	<b>(962,734)</b>	<b>(752,851)</b>
<b>Excess of revenues and other financing Sources (uses) over (under) expenditures</b>	<b>\$0</b>	<b>(171,688)</b>	<b>188,925</b>	<b>3,561,485</b>	<b>1,687,951</b>
<b>Fund balances - beginning of year</b>		<b>19,977,658</b>	<b>19,788,733</b>	<b>16,227,248</b>	<b>14,539,297</b>
<b>Fund balances - end of year</b>		<b>\$19,805,970</b>	<b>\$19,977,658</b>	<b>\$19,788,733</b>	<b>\$16,227,248</b>

**NOTE: The amounts for all years are shown on a budgetary basis of accounting.**

The amounts shown for the year ended June 30, 2020 are excerpts from the audit report which has been audited by Wipfli LLP, CPAs & Consultants, Rhinelander, Wisconsin and the amounts shown for the years ended June 30, 2021 through June 30, 2023 are excerpts from the audit reports which have been audited by CliftonLarsonAllen LLP, Wauwatosa, Wisconsin (the "Auditor"). The amounts shown for the year ended June 30, 2024 are shown on a budgetary basis as provided by the District. The comparative statement of revenues and expenditures should be read in conjunction with the other financial statements and notes thereto appearing in Appendix A to the Official Statement.

**Financial Statements**

A copy of the District's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023, including the accompanying independent auditor's report, is included as Appendix A to this Official Statement. Potential purchasers should read such financial statements in their entirety for more complete information concerning the District's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The District has not requested the Auditor to perform any additional examination, assessment or evaluation with respect to such financial statements since the date thereof, nor has the District requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the District since the date of the financial statements, in connection with the issuance of the Notes, the District represents that there has been no material adverse change in the financial position or results of operations of the District, nor has the District incurred any material liabilities, which would make such financial statements misleading.

## **UNDERWRITING**

The Notes have been purchased at a public sale by a group of Underwriters for whom \_\_\_\_\_ is acting as Managing Underwriter. The Underwriter intends to offer the Notes to the public initially at the prices which produce the yields set forth on the first page of this Official Statement plus accrued interest from May 30, 2024, if any, which prices may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the Notes to the public. The Underwriter may offer and sell the Notes to certain dealers (including dealers depositing the Notes into investment trusts) at prices lower than the public offering prices. In connection with this offering, the Underwriter may over allocate or effect transactions which stabilize or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

## **RATING**

This issue has been assigned an "Aa1" rating by Moody's Investors Service, Inc. Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from the rating agency furnishing the same. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Notes.

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

## **TAX EXEMPTION**

Federal tax law contains a number of requirements and restrictions which apply to the Notes, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of note proceeds and the facilities financed therewith, and certain other matters. The District has covenanted to comply with all requirements that must be satisfied in order for the interest on the Notes to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Notes to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Notes.

Subject to the District's compliance with the above-referenced covenants, under present law, in the opinion of Griggs Law Office LLC, Milwaukee, Wisconsin, Bond Counsel, interest on the Notes is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax imposed on individuals; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code).

In rendering its opinion, Bond Counsel will rely upon certifications of the District with respect to certain material facts within the District's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Notes should consult their tax advisors as to applicability of any such collateral consequences.

From time to time legislation is proposed, and there are or may be legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Notes. It cannot be predicted whether, or in what form, any proposal that could alter one or more of the federal tax matters referred to above or adversely affect the market value of the Notes may be

enacted. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The interest on the Notes is not excluded from income and therefore is not exempt from present Wisconsin income taxes.

### **Original Issue Discount**

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

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted Note, on days that are determined by reference to the maturity date of such Discounted Note. The amount treated as original issue discount on a Discounted Note for a particular semiannual accrual period is generally equal to (a) the product of (i) the yield to maturity for such Discounted Note (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discounted Note at the beginning of the particular accrual period if held by the original purchaser; and less (b) the amount of any interest payable for such Discounted Note during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted Note the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If a Discounted Note is sold or exchanged between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

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

The accrual or receipt of original issue discount on the Discounted Notes may result in certain collateral federal income tax consequences for the owners of such Discounted Notes. The extent of these collateral tax consequences will depend upon the owner's particular tax status and other items of income or deduction. In the case of corporate owners of Discounted Notes, a portion of the original issue discount that is accrued in each year will be included in the calculation of the corporation's alternative minimum tax liability. Corporate owners of any Discounted Notes should be aware that such accrual of original issue discount may result in an alternative minimum tax liability although the owners of such Discounted Notes will not receive a corresponding cash payment until a later year.

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

### **Bond Premium**

To the extent that the initial offering price of certain of the Notes is more than the principal amount payable at maturity, such Notes ("Premium Notes") will be considered to have bond premium. Any Premium Note purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. The amortizable bond premium of each Premium Note is calculated on a daily basis from the issue date of such Premium Note until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each

accrual period (with straight line interpolation between the compounding dates). An owner of a Premium Note that has amortizable Note premium is not allowed any deduction for the amortizable bond premium; rather the amortizable bond premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium Notes. During each taxable year, such an owner must reduce his or her tax basis in such Premium Note by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the holder held such Premium Note. The adjusted tax basis in a Premium Note will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium Note.

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

## **NO DESIGNATION AS QUALIFIED TAX-EXEMPT OBLIGATIONS**

The District will NOT designate the Notes as "qualified tax-exempt obligations" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

## **CONTINUING DISCLOSURE**

In order to assist the Underwriter in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "SEC"), pursuant to the Securities Exchange Act of 1934 (the "Rule"), the District shall covenant pursuant to an Award Resolution adopted by the Governing Body to enter into an undertaking (the "Undertaking") for the benefit of holders including beneficial holders of the Notes to provide certain financial information and operating data relating to the District annually to the Municipal Securities Rulemaking Board (the "MSRB"), and to provide notices of the occurrence of certain events enumerated in the Rule electronically or in the manner otherwise prescribed by the MSRB to the MSRB. **The undertaking provides that the annual report will be filed not later than April 1 of each year commencing April 1, 2025.** The details and terms of the Undertaking, as well as the information to be contained in the annual report or the notices of material events, are set forth in the Continuing Disclosure Certificate to be executed and delivered by the District at the time the Notes are delivered. Such Certificate will be in substantially the form attached hereto as Appendix B. A failure by the District to comply with the Undertaking will not constitute an event of default on the Notes (although holders will have the right to obtain specific performance of the obligations under the Undertaking). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Notes in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

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

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

## **BOOK-ENTRY-ONLY SYSTEM**

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC

holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P Global rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

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

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

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

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

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

nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

## **LITIGATION**

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

## **LEGAL MATTERS**

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

## **MUNICIPAL BANKRUPTCY**

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

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

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

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

### **FINANCIAL ADVISOR**

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

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

### **MISCELLANEOUS**

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

Bond Counsel has not assumed responsibility for this Official Statement or participated in its preparation (except with respect to the section entitled “TAX EXEMPTION”) and has not performed any investigation as to its accuracy, completeness or sufficiency.

The execution and delivery of this Official Statement by its Secretary/Treasurer has been duly authorized by the District.

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

### **AUTHORIZATION**

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

### **NORTHCENTRAL TECHNICAL COLLEGE DISTRICT, WISCONSIN**

By /s/

---

District Secretary/Treasurer

## **APPENDIX A**

### **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT, WISCONSIN  
Clark, Langlade, Lincoln, Marathon, Menominee, Portage, Price, Shawano,  
Taylor, and Waupaca Counties**

**For Year Ended June 30, 2023**

**CliftonLarsonAllen LLP  
Wauwatosa, Wisconsin**

A copy of the District's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023, including the accompanying independent auditor's report, is included as Appendix A to this Official Statement. Potential purchasers should read such financial statements in their entirety for more complete information concerning the District's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The District has not requested the Auditor to perform any additional examination, assessment or evaluation with respect to such financial statements since the date thereof, nor has the District requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the District since the date of the financial statements, in connection with the issuance of the Notes, the District represents that there has been no material adverse change in the financial position or results of operations of the District, nor has the District incurred any material liabilities, which would make such financial statements misleading.





# 2023

## Annual Comprehensive Financial Report



**YEARS ENDED  
JUNE 30, 2023 & 2022**

Prepared by the NTC Finance team.

NORTHCENTRAL TECHNICAL COLLEGE | 1000 W. CAMPUS DRIVE, WAUSAU, WI 54401  
715.675.3331 | 888.682.7144 | [www.ntc.edu](http://www.ntc.edu)

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
TABLE OF CONTENTS  
YEARS ENDED JUNE 30, 2023 AND 2022**

**INTRODUCTORY SECTION**

LETTER OF TRANSMITTAL	2
DISTRICT BOARD OF TRUSTEES AND COLLEGE LEADERSHIP	17
MAP	19
GFOA – CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING	20

**FINANCIAL SECTION**

INDEPENDENT AUDITORS' REPORT	22
MANAGEMENT'S DISCUSSION AND ANALYSIS	25

**FINANCIAL STATEMENTS**

STATEMENTS OF NET POSITION	37
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	39
STATEMENTS OF CASH FLOWS	40
STATEMENTS OF FIDUCIARY NET POSITION	42
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION	43
NOTES TO FINANCIAL STATEMENTS	44

**REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULES OF CHANGES IN THE EMPLOYER'S TOTAL OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY AND RELATED RATIOS – DISTRICT OPEB PLAN	82
SCHEDULES OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) AND EMPLOYER CONTRIBUTIONS – WISCONSIN RETIREMENT SYSTEM	83

**SUPPLEMENTARY INFORMATION**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) – GENERAL FUND	85
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) – SPECIAL REVENUE AIDABLE FUND	86
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) – SPECIAL REVENUE NON-AIDABLE FUND	87
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND	88
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) – DEBT SERVICE FUND	89

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
TABLE OF CONTENTS  
YEARS ENDED JUNE 30, 2023 AND 2022**

<b>SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) – ENTERPRISE FUND</b>	<b>90</b>
<b>SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) – INTERNAL SERVICE FUND</b>	<b>91</b>
<b>NOTES TO BUDGETARY COMPARISON SCHEDULES</b>	<b>92</b>
<b>SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</b>	<b>95</b>
<b>NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS</b>	<b>109</b>
<b>STATISTICAL SECTION</b>	
<b>FINANCIAL TRENDS</b>	
<b>NET POSITION BY COMPONENT</b>	<b>113</b>
<b>CHANGES IN NET POSITION</b>	<b>114</b>
<b>REVENUE CAPACITY</b>	
<b>DISTRIBUTION OF REAL PROPERTY VALUE ON AN EQUALIZED BASIS</b>	<b>115</b>
<b>DIRECT AND OVERLAPPING PROPERTY TAX RATES</b>	<b>116</b>
<b>PRINCIPAL PROPERTY TAXPAYERS</b>	<b>121</b>
<b>PROPERTY TAX LEVIES AND COLLECTIONS</b>	<b>122</b>
<b>DEBT CAPACITY</b>	
<b>SCHEDULE OF RATIOS OF OUTSTANDING DEBT</b>	<b>123</b>
<b>COMPUTATION OF DIRECT AND OVERLAPPING DEBT</b>	<b>124</b>
<b>LEGAL DEBT MARGIN INFORMATION</b>	<b>125</b>
<b>DEMOGRAPHIC AND ECONOMIC INFORMATION</b>	
<b>DEMOGRAPHIC STATISTICS FOR MARATHON, LINCOLN, LANGLADE, MENOMINEE,     PRICE, AND TAYLOR COUNTIES – HISTORICAL COMPARISONS</b>	<b>126</b>
<b>PRINCIPAL EMPLOYERS</b>	<b>127</b>
<b>OPERATING INFORMATION</b>	
<b>FULL-TIME EMPLOYEES BY EQUAL OPPORTUNITY CLASSIFICATION</b>	<b>128</b>
<b>ENROLLMENT STATISTICS – HISTORICAL COMPARISONS</b>	<b>129</b>
<b>OPERATIONAL EXPENDITURES PER FULL-TIME EQUIVALENT (FTE) STUDENT</b>	<b>130</b>
<b>PROGRAM GRADUATE FOLLOW-UP STATISTICS</b>	<b>131</b>
<b>SQUARE FOOTAGE OF DISTRICT FACILITIES</b>	<b>132</b>
<b>COMPLIANCE AUDIT SECTION</b>	

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
TABLE OF CONTENTS  
YEARS ENDED JUNE 30, 2023 AND 2022**

<b>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 <i>GOVERNMENT AUDITING STANDARDS</i></b>	<b>134</b>
<b>INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE</b>	<b>136</b>
<b>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</b>	<b>139</b>



# INTRODUCTORY SECTION



**YEARS ENDED 2023 & 2022**

Annual Comprehensive  
Financial Report



December 19, 2023

To the Citizens, Board of Directors, and College Community of the Northcentral Technical College District:

The Annual Comprehensive Financial Report (ACFR) for Northcentral Technical College District ("NTC" or the "College") for the fiscal year ended June 30, 2023, 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 College. The presented data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the College. All disclosures necessary to enable the reader to gain an understanding of NTC's financial activities have been included.

State law requires the College publish a complete set of audited financial statements within six months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2023. In addition to meeting legal reporting requirements, this report is intended to present a comprehensive summary of the significant financial data of the College in a readable format to meet the varying needs of the District's citizens, taxpayers, students, employees, financial institutions, intergovernmental agencies, and Wisconsin Technical College System.

NTC is required to undergo an annual single audit 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. Information related to the requirements and compliance with this single audit can be found in the single audit section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

In addition, NTC provides its 2022-2023 Institutional Accomplishments as a source of background information on its financial activities.

## 2022-2023 End of Year College-Wide Accomplishments

### Learner Success

- Successfully launched University Transfer Program. 76 students accepted to NTC's program and 69 in the Madison College shared program.
- Celebrated National Transfer Week with a Transfer Fair that included 15 college partners.
- Completed implementation of student progress tool allowing students and advisors to view percent of progress student has made toward credential completion.
- Decrease in Cohort Default Rate for FY2019 (from 8.5% to 2.0%).
- Moved Alt High to the main campus. This will allow efficiencies in providing security coverage, introduces students to the college environment, saves operating costs, and eliminates the safety issues with students walking down the road without sidewalks to the bus stop.
  - Thanks to the increased proximity, students took 85 college credits, 50 campus tours were provided, and they experienced 187 career explorations.
- Accreditation:
  - Successfully hosted our Automotive Service Excellence (ASE) recertification visit and were recommended for our 5-year recertification.
  - Successful Accreditation Commission for Education in Nursing (ACEN) site visit for Nursing; recommended continued full accreditation.
  - Radiography successfully completed a site visit with the Joint Review Committee on Education in Radiologic Technology (JRCERT) with an anticipated eight-year approval.
- Open Educational Resources (OERs) were implemented for first semester nursing students.
- Completed 3-year nursing simulation clinical enhancement grant which included:
  - Hosting a nursing educator simulation conference
  - Installation of Pyxis machine
  - Virtual Reality equipment installed
  - Purchase of two ethnically diverse simulators
- Completed 2-year Career Pathways Nursing grant which included:
  - Purchase of Next Gen NCLEX preparation product for 3<sup>rd</sup> semester students
  - Increased tutoring for nursing students
- Successfully completed the Faculty Quality Assurance System state office visit, with every area of code identified as "met." They commented that we were recognizably "innovative" and "a forward-thinking organization." They emphasized that these traits are "unique" in our system and they look to us to lead the way.
- Candidate Physical Ability Test (CPAT) continues its success, and the number of registrants in fall was five times higher than when the program started in 2019.
- In the 2021-2022 Fact-Book published by the WTCS, NTC is noted as ranking:
  - 3<sup>rd</sup>: Percent increase in headcount from last year
  - 5<sup>th</sup>: Total headcount in 2021-2022



- 3<sup>rd</sup>: Non-post-secondary (AE/ELL) total headcount 21/22
  - 4<sup>th</sup>: Vocational-adult (CE/PD) total headcount 21/22
  - 3<sup>rd</sup>: Total headcount of justice involved students
  - 4<sup>th</sup>: Most academically disadvantaged students in the WTCS
- Completed blacktop surfaces on the new CDL parking lot at the Public Safety Center of Excellence (PSCoE). This new lot will allow more area to store and park CDL trucks with electrical plugs for winter use. It will also allow for additional training areas when the EVOC track is in use by Public Safety.
- Completed construction of the Center of Excellence in Communication Technologies (Studio 7) and held a ribbon cutting ceremony in March 2023 with the Dudley Foundation, Dudley family, NTC Board of Trustees, and NTC Foundation Executive Committee.
- Moved Nursing Assistant program to the Health Sciences building to integrate Nursing Assistant into the health area and increase exposure to additional health career options.
- Integrated Virtual Reality into Nursing program courses.
- Added Nursing Instructional Assistant to support nursing student learning (with great success!).
- Professional Development reached pre-pandemic levels for students served and revenue generated.
- The NTC Library created a self-guided audio tour and scavenger hunt event to encourage student exploration of the newly redesigned Timberwolf Learning Commons space. The tour includes both audio and transcript to increase accessibility.
- Changed admissions process for culinary and cosmetology programs removing program wait lists resulting in a better experience for incoming students.
- EMS/EMT programming was moved to the Geriatric Education Center which has been renamed the Emergency Services Center. This will allow EMS/EMT classes to be close to the Regional Forensic Science Center.
- Increased Adult Basic Education (ABE)/English Language Learning (ELL) FTE by 16.4 over last year.
- Redesigned the website's mobile navigation menu to provide quicker access to search functionality for individuals using mobile devices.
- Expanded content strategy for digital, social and public relations around storytelling.
- Awarded \$2,406,329 in WTCS competitive and allocation grants for 15 different projects; 100% of NTC proposals were awarded; NTC received the 6th largest amount.
- Workforce Advancement Training grants were awarded by the WTCS for a total of \$766,584 to support 1,400 employees at 39 companies.
- Youth Apprenticeship:
  - Awarded Wisconsin Department of Workforce Development (DWD) Youth Apprenticeship grant for \$477,400 to support 434 youth.
  - Exceeded 2023 goal by 49 students for a total of 401 Youth Apprenticeships.



- Awarded \$400,000 in non-profit grants to support scholarships, Healthcare 4.0, and our sawmill project.
- The 9th Annual Golf Fore Scholarships event was held at Bass Lake Golf Course in Antigo to support Wood Technology students and program; 131 golfers, 48 sponsors participated, and 16 volunteers, including 3 current students and two program alumni; net revenue was \$25,000+.
- Assisted donors in establishing 14 new scholarship funds.
- Phillips Welding Academy graduated 21 students.
- 246 students participated in summer camp activities where they learned about career pathways, leadership, and future job opportunities.
- Graduated our largest Law Enforcement Academy class ever – 21 students.

**Diversity, Equity, Inclusion + Accessibility**

- Successful Veterans Affairs (VA) Audit and continued designation as a military friendly college.
- Created Timberwolf-to-Go option (food pantry) and relocated Timberwolf Table to the main building.
- Successfully awarded \$350,000 and began work on a National Science Foundation (NSF) grant ('Retooling Machine Tool') with a focus on supporting and developing manufacturing program access to underserved populations (in particular the southeast Asian population).
- Presented at the Limitless Learning Summit to academic leaders from across the country on NTC's Affordable Educational Resources/Cengage Unlimited Initiative.
- Purchased two ethnically diverse simulators.
- Joined Women in Manufacturing as an organizational member, allowing access to membership and events for our students.
- Amy Gajewski, Marketing Faculty, was awarded an Equity in College Classroom grant from UW Madison which resulted in the research, development and delivery of her presentation "Integrating Diversity, Equity, and Inclusion in the Virtual Classroom".
- Executive Dean of Academic Excellence and Accreditation Manager were selected to present NTC's DEIA rubric at the annual Higher Learning Commission (HLC) Conference.
- Fully implemented our DEIA rubric across all NTC courses.
- Implemented numerous accessibility improvements to ensure that all of our website's content is accessible to all individuals, including those with situational, temporary, or permanent disabilities.
- Provided Spanish language version of viewbook for Spanish speaking community members
- Increased enrollment in ELL classes at the Phillips campus. Great support from employers for their Spanish speaking employees.

**Access**

- Enhanced Chatbot allowing student access to assistance 24/7.
- Community Technology Centers:



- Have served over 150 individuals in Antigo and Phillips.
  - Launched Centers at Medford, Spencer, and Wittenberg campuses.
- Developed new admission pathways for health programs to launch in Fall 2023.
- Revised Church Mutual Scholars program to allow current students to apply.
- Adjusted Promise Program application criteria to remove additional barriers. We received 161 applications for the 2023-2024 Promise program.
- Made improvements to our NTC Connect infrastructure to address issues discovered in our phase one rollout.
- Awarded 245 scholarships totaling \$207,810 for the fall 2022 season. In Spring, 552 scholarships were awarded totaling \$413,500.
- Completed 2022 Employee Giving Campaign raising a total of \$100,830 (surpassing goal of \$82,000). As of June 7, the 2023 Employee Giving Campaign raised over \$74,000 toward the goal of \$82,000.
- Awarded over \$35,000 in student emergency funds (in addition to HEERF).
- Built a CDL Class B and Class A accelerated program, reducing the time for employees to acquire a CDL license.
- 20 NTC Apprenticeship students received a Tools of the Trade Scholarship.
- Through a Community Foundation Grant, offered Alt High School students a welding opportunity in partnership with Monk Gardens. This is our second-year collaborating to develop metal sculptures for Sara's Storybook Garden.
- As of Fall 2022, 53% of NTC courses were using affordable course materials.
- Transitioned to in-person Open House in Fall 2022 and had a turnout of over 300 guests in Spring 2023.
- Received over 760 high school applicants to NTC programs for fall 2023.
- Intramurals were revitalized post-COVID, seeing 116 total participants across all sports.
- Band saw filing classes ran at full capacity. Receiving calls throughout the US inquiring about the program.
- Purchased a Fire Vent Trailer to increase training opportunities as it is a mobile training device which can be utilized for contracts and at other regional sites.

### **Collaboration**

- Exceeding pre-COVID event/activity participation with over 10,000 guests participating in events, tours, custom visits, and presentations.
- Development of Langlade County Human Resources Networking committee in partnership with Langlade County Economic Development Corporation.
- Dean of School of Agricultural Sciences, Utilities + Transportation has been appointed to the Governor's Wisconsin Agriculture Educational and Workforce Development Committee.



- Agriculture Center of Excellence, along with the Wausau Area Builders Association (WABA), hosted 800 students at the farm for Build My Future day.
- Agriculture Center of Excellence hosted 500-4<sup>th</sup> grade students at the farm for Food for America.
- Hosted Early Childhood Education Career + Job Exploration Day with roughly 23 volunteers from different child care settings and agencies. The nearly 50 attendees included community members, high school teachers and students, and NTC students.
- Facilitating short-term training options for Greenheck in partnership with Workforce Training + Professional Development (WT+PD).
- Expanded professional development offerings in Electromechanical and Automation program areas with several industry partners (Harley Davidson, Mullins Cheese, Regal-Beloit) in collaboration with WT+PD.
- Hosted Wisconsin Governor Tony Evers for an event recognizing the success of Wisconsin Apprenticeship which included a tour and presentation of our new Smart Manufacturing Lab.
- Kicked off our partnership with Engineering Tomorrow with four events held in our STEM Center and included 150 students. Ended the year with 10 total events and more than 250 students impacted.
- Hosted a Society of Manufacturing Engineers meeting which included sharing School of Engineering + Advanced Manufacturing program options, and a tour of our labs and facilities.
- Successfully invested and completed over \$700,000 in local business training with our 2022 Workforce Advancement Training (WAT) grant funds.
- Partnership with Comprehensive Drug Testing; launched training portal for partnership with Canadian Hockey League, and have served 1,700 participants.
- Partnering with Wausau Fire Department (WFD) on a paramedic cohort of WFD new hires to take NTC paramedic program while employed with WFD to meet their hiring requirements. These 10+ new hires were added to our regular paramedic class cohort which began in January 2023.
- Completed the grant funded 2018 North Central Sustainable Agriculture + Research Education (SARE) Consortium Project - Community College Alliance for Agriculture Advancement (C2A3): Regionally-Specific and Collaborative Educational Approaches to Promote Sustainable Soil Health Practices; this was a collaboration with eight community colleges from seven states; NTC was the lead.
- Received Mine Safety and Health Administration (MSHA) State Grant funds to conduct safety and health training for Wisconsin's mine workers.
- Partnering with UW-Stevens Point on an awarded Wisconsin Economic Development Corporation (WEDC) Workforce Innovation Grant that will focus on the forestry industry; funds received will create a mini-sawmill at our Wood Technology Center of Excellence at our Antigo campus (\$4,497,518).
- Held a listening session with leaders in the Medford area with a goal of seeking input to improve programming and service to the Medford community. Based on the session:



- Regional Managers meet monthly with Deans to evaluate needs and implement programming;
- NTC participated in the Medford Community Home Show to promote NTC programs and offerings;
- We wrote for and were awarded a Workforce grant to provide Nursing Assistant classes to ELL students in the West Region;
- Started a Health Academy at the Medford campus in partnership with local high schools;
- NTC wrote and received a WTCS Career Pathways Grant: Pioneering + Exploring Career Pathways in NTC's West Region. The grant includes a dedicated Regional Career Pathway Specialist, providing dedicated support to adult students, proactive career exploration to rural high schools, proactive career exploration, apprenticeship access, and allow us to engage employers for hands-on, real-life career exploration opportunities.
- Hosted the Wisconsin Technical College District Boards Association summer meeting.
- Recognized as the Organization of the Year by the Hmong American Center.
- Launched Aspirus/NTC Workforce Pipeline project team.
- Hosted 300 first through third grade students in nursing with NTC students providing education on health topics.
- Planned and executed a collaborative education/employment outreach to the Ho Chunk Nation with Marshfield Clinic and the Ho Chunk Tribal Work Force.
- Workforce Training + Professional Development fulfilled 149 customized training contracts; up 16% over last year.
- Successfully hosted the Central Wisconsin Science + Engineering Festival in April 2023, in partnership with Michigan Tech University – Mind Trekkers Road Show. During the event, we welcomed nearly 4,000 people to campus with the assistance of 181 NTC employee volunteers.
- Collaborated with DWD-BAS on the development of two Transportation Apprenticeship programs.
- Successfully joined a partnership with UW-Stout, SACA, Lab Midwest, Greenheck, and other WTCS institutions to offer a Bachelor's in Automation Leadership to our students in multiple technical program areas.
- Completed an analysis of the On-Site Clinic to determine decisions for best use in future.
- Provided armed intruder training during Faculty Development Days.
- Leadership Development and Business Management Faculty hosted and facilitated "hands on" activities focusing on leadership and career at the Wausau campus for the Central Wisconsin High School Leadership Program offered through the Wisconsin Institute for Public Policy and Service.



- Volunteer Income Tax Assistance (VITA) Program launched and processed over 70 tax returns from community members and NTC students.
- Working closely with Marathon County on plans for the Regional Forensic Science Center to be located on the NTC Wausau Campus. Assisting them with building plans, Memorandum of Understanding (MOU) draft documents, and budgeting.
- Secured two new University Transfer articulation agreements with UW-Green Bay and UW-Oshkosh.
- Partnered with Ethiopian Community Development Council (ECDC) and New Beginnings to establish a bridge between pre-literacy instruction and ELL courses at NTC for Afghan refugees.
- Co-lead on Langlade County Economic Development Community Dream-Up grant to expand child care options in Langlade County.
- Heavy Metal Tour returned this fall with the largest attendance to date.
- Student clubs did 34 community service events, including a project by our Pole Climbers Club where they traveled and extended electricity to homes in the Navajo Nation.
- Phi Theta Kappa chapter earned five-star status for the 10th year in a row.

## **Innovation + Growth**

- Workday:
  - Successful go-live of Workday Financials and Workday Human Capital Management on July 1, 2022. Training and full rollout of all modules are on target to complete by June 30, 2023.
  - Started Workday Student with target go-live date of October 2024. Data conversions are tracking ahead of schedule.
- Move to Manufacturing (M2M):
  - Built a new "For Employers" section on the Move to Manufacturing website, allowing existing employer partners to easily track participant activity and potential employer partners to connect with us for more information on getting started with the program.
  - Created a Move to Manufacturing Employee Onboarding option to help M2M employer partners get new employees up to speed quicker and to help increase employee retention.
  - Added six new companies as employer partners in M2M: Northern Wire, Roastar, Wausau Tile, Schuette Metals, Jarp, and Kolbe Windows and Doors.
- Revitalized NTC's Virtual Tours of Wausau, Antigo, Phillips, Medford and Spencer campuses as well as the Public Safety Center of Excellence.
- Completed construction, officially opened and held a ribbon cutting ceremony for our new Industry 4.0 Smart Manufacturing Lab and revealed our updated Engineering and Advanced Manufacturing Center of Excellence.
- Received final WTCS approval for our Smart Manufacturing Technology Associate Degree with plans to launch in Fall 2023.



- New Saw Filing lab was completed and we successfully started our Saw Filing program in Fall 2022.
- Community Education courses:
  - New classes created to be hosted at the Agriculture Center of Excellence including Beekeeping, Wine Making, and Pasture Restoration as well as two offerings in our STEM Center.
  - Signed a Memorandum of Understanding (MOU) with Master Gardeners of Marathon County as their educational partner for annual calendar of Continuing Education Unit (CEU) offerings.
- Esports team placed top 8 out of 32 teams in Wisconsin Collegiate Rocket League Tournament beating the 6<sup>th</sup> seed UW Madison team. They are also the #1 seed in the New England Collegiate Conference and won the divisional championship.
- Ran a first-time, summer jail academy to support local employer requests.
- Running double the amount of truck driving/CDL classes since the prior year; added a third full-time truck driving faculty.
- Wisconsin Department of Agriculture, Trade and Consumer Protection Secretary Romanski visited campus to announce NTC as a recipient of \$250,000 in funding from Governor Evers for Meat Processing Development programming (Pasture to Plate).
- Piloting the implementation of an employer sponsored 75-hour nursing assistant course.
- The Medical Laboratory Technician (MLT) distance learning program opened and applications have already exceeded capacity for Fall 2023.
- Ran a summer 2023 Phlebotomy program for the first-time, due to employer requests. This program exceeded capacity for student enrollment.
- Surgical Technology faculty created a “Wound Closure” course for WTPD and have already scheduled a second course due to employer requests.
- Awarded \$250,000 in WTCS Grant Funding for a Career Pathways Grant – “Invigorating NTC’s Engineering Technologies Career Pathways” – with a plan for two years of specific work on developing and increasing our Engineering Technology pathway options for students, incumbent workers, and our community members.
- Awarded Emerging Markets grant in support of developing a Therapeutic Massage program which is scheduled to launch in fall 2023.
- Completed design and Request for Proposal (RFP) for the new Mobile Health Learning Lab trailer. The Lab will be used to train 96 additional Certified Nursing Assistants (CNAs) and provide CPR training to 72 individuals at their locations, in rural northcentral Wisconsin. Scheduled to take delivery of the trailer in December 2023.
- Worked with health staff and engineers to develop plans for the Health 4.0 initiatives. Construction began in June 2023. The project will include additional simulation rooms, surgical suite renovation, an immersive technology room, virtual reality space, and other advanced



technology upgrades like Syndavers and LifeCast simulators. Project is scheduled to be complete and ready for classes in August 2023.

- Agriculture Center of Excellence improvements:
  - Completed the Veterinary Science Lab remodel at the Agriculture Center of Excellence, and currently working with Learning on attaining American Veterinary Medical Association (AVMA) Accreditation.
  - Purchased and installed loafing sheds at the Agriculture Center of Excellence. The loafing sheds will allow the Veterinary program to bring in a variety of animal species for the students in the Veterinary Technician Program.
  - Completed a new Ag Storage Building to replace storage shed used for new Ag Veterinary Science Lab.
  - Completed the new canvas Ag Feed Building. This building will help separate vehicle and equipment storage from excess feed needed to control rodents.
  - Upgraded wells and water system to ensure availability of reliable water and prevent siphoning wells dry.
  - In conjunction with Learning, installed a Grow Pod as part of the Garden to Market program.
  - Installed new staffing space for Customer Service Representative (CSR), Dean, and Learning Coordinator within the Student Engagement Center to bring the entire team to the Farm.
- Added a new state-of-the-art Helping Skills Lab to engage Human Services students in practicing helping skills and telehealth evidence-based practices.
- Completed a new pathway to completion via the High School Equivalency Diploma (HSED) 5.09 at Alt High.

#### **Advocacy**

- Awarded the Government Finance Officers Association (GFOA) certificate of achievement for the 26<sup>th</sup> year, in recognition of innovative programs and contributions to the practice of government finance that exemplify outstanding financial management.
- Retained Moody's Aa1 bond rating.
- No annual premium increase to employees for 2023 NTC health + drug plan.
- Awarded a \$20,000 Districts Mutual Insurance (DMI) grant for IT security improvements.
- NTC Foundation and NTC Property Foundation had successful financial audits for fiscal year 2021-2022, confirming compliance with applicable laws and regulations.
- Completed Classification + Compensation Study and implemented College-wide in October 2022. Ongoing communication to ensure understanding including establishing homerooms, placing content on the Intranet, and creating videos.





- For retention and recruitment purposes, completed a vacation benefit review/study and revamped the hourly vacation policy, effective July 1, 2023.
- Continue to improve our IT security posture. Recently went live with Cisco's Managed Detection and Response (MDR) service which provides 24/7 network monitoring to identify and respond to security threats. Enhanced our two-factor authentication (2FA) to protect new applications and provide additional functionality.
- Technical Support provided:
  - Supported 191 special events in our large conferencing space
  - Immediately answered 98.26% of incoming calls
- Completed disbursement of US Department of Education's Higher Education Emergency Relief Funds (HEERF) for Institutional and Strengthening Institutions Program (SIP) portions, totaling over \$7.8 million. Quarterly and annual reports were completed and posted, as well as annual audits performed for compliance.
- Completed the installation of infrared lighting to the HVAC units at all College owned facilities. This was a project covered under HEERF and will help reduce the transmission of viruses and bacteria.
- Created and implemented a paperless New Employee Orientation.
- Re-introduced Real Appeal program for employee wellness.
- Developed and organized the college-wide Timberwolf Trail wellness activity.
- Built new servers for our video surveillance and door access system, Genetec. This enhancement increases security throughout the infrastructure.
- Participated in advocacy and lobbying efforts as part of the WTCS Day at the Capitol and Central Wisconsin Days.
- Supported Marshfield Clinic workers affected by layoffs by showcasing NTC credit and non-credit programs that may be of interest or benefit.
- Advocated for opposition to AB-2 which would eliminate operating tax levy.
- Asked to participate in Phillips Medisize employee layoff support.



## ***Vision, Mission, and Core Beliefs & Values***

### **Vision**

Building futures as your college of choice, one learner, one employer, and one community at a time.

### **Mission**

Northcentral Technical College provides high-quality, learner and employer focused, educational pathways committed to enriching lives and strengthening the economy.

### **Core Beliefs & Values**

- **Learner focus:** We believe in and promote an engaging life-long learning environment that supports learners as they realize their educational and career goals.
- **Continuous improvement:** We believe in and promote the continuous improvement of learning, support systems and processes to meet learner, employer and community needs.
- **Ingenuity:** We believe in and promote a learning environment that fosters innovation and entrepreneurship.
- **Access:** We believe in and promote flexible educational opportunities to serve all learning communities.
- **Service to community:** We believe in and promote service to our communities through leadership, collaboration and volunteerism.
- **Diversity:** We believe in and promote an inclusive environment that celebrates, embraces and respects individual differences.
- **Culture of professionalism:** We believe in and promote a culture of knowledgeable, forward-thinking, accountable, caring and collaborative employees who act with integrity and respect.
- **Advocacy:** We believe in and promote the success of our learners, employers and communities.

## ***Profile of the NTC District***

NTC is a customer-focused, accessible provider of innovative lifelong learning that builds a globally competitive workforce. The College's 5,900 square mile, 10-county district includes six convenient campus locations in Wausau, Antigo, Medford, Phillips, Spencer and Wittenberg, as well as a Public Safety Center of Excellence and Commercial Driver's License (CDL) Training Center in Merrill, a Wood Technology Center of Excellence in Antigo and an Agriculture Center of Excellence and Diesel Technology Center just north of the Wausau Campus in the Village of Maine. The Wausau Campus also features an Advanced Engineering and Manufacturing Center of Excellence featuring an Industry 4.0 Smart Manufacturing Lab, the Butcher Block, a Center for Health Sciences featuring a Center for Simulation + Innovation, Communication Technology Center of Excellence featuring Studio 7, Community Collaboration Center, Emergency Services Training Center, Information Technology &

Entrepreneurial Center (iTEC), Professional Conference Center, Studio Max Salon and Spa featuring the Therapeutic Massage Center and SPOONS Restaurant.

The College currently offers over 190 associate degree programs, technical diplomas and short-term certificate options, with many credits transferring to Wisconsin's four-year public and private colleges, creating a seamless path for lifelong learning. Through a variety of flexible course options, NTC provides an additional opportunity for learners to receive a degree to certification through flexible learning opportunities including eight-week courses, NTC Connect and Virtual College. Additional services include programming in English Language Learning, Adult Basic Education, and HSED/GED, as well as an Academic Resource Center and College Prep Center.

NTC is also closely connected to the local business community through the training and development of incumbent workers. The College's Workforce Training + Professional Development team works with local businesses to offer customized training, technical assistance and professional development opportunities needed to be successful in today's competitive workforce.

## ***Economic Condition***

### **Local Economy**

In September 2023, all but one of the counties (Clark County at 2.8 percent) in the NTC District are experiencing unemployment rates higher than the state's unemployment rate of 2.9 percent. Menominee County is experiencing the highest rate in District at 5.8 percent, which is down from 11.2 percent the previous month.

### **State Economy**

As employers seek to meet workforce demands, there will continue to be a demand for the educational services provided by NTC. The College continues to deliver skilled graduates that serve as the backbone of Wisconsin's workforce.

NTC is a trusted partner, working with employers to expand the talent pipeline and support incumbent workers through short term, flexible credentials, continuing education and workforce training.

NTC continues to implement cost-saving measures to mitigate the state budget impact on student enrollments and services provided by the College to students and businesses within the District. Declining state aids underscore the importance of prudent fiscal management and long-term planning at NTC.

## ***Financial Policies***

Northcentral Technical College is committed to the development of sound management systems and effective internal controls. Significant efforts are made to employ qualified personnel. Similarly, systems are conscientiously developed to provide appropriate levels of supervision and segregation of duties.

**Internal Controls**

Management of the College is responsible for establishing and maintaining an internal control structure designed to ensure 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 accounting principles generally accepted in the United States. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

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

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

**Long-term Financial Planning and Budgeting**

Five-year budget projections are maintained on an ongoing basis for both the operating budget and the capital budget. These projections forecast future revenues, expenditures, borrowing, and fund balance levels to monitor compliance with the District Board policies and guidelines.

The College's annual budget is prepared in accordance with the requirements of the Wisconsin Technical College System Board. The annual planning and budgeting process is an integrated collaborative effort with direction from the District Board and involvement across all levels of the College. The District Board is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation of NTC's financial planning and control. The budget is prepared by fund, function and department.

Budgetary responsibility is decentralized to leaders of various cost centers. Review of budgets and budgeted activities are performed by the administration and the District Board. Starting in November and ending in May, NTC leaders prepare, present, and modify budget plans for the coming year. Between February and May, the District Board reviews budget plans to ensure consistency with NTC's mission, vision, and strategic planning process. In May and June, respectively, the District Board approves the budget for a public hearing, and a public hearing is conducted. Before June 30, the District Board adopts the budget for the succeeding year in accordance with State Statutes. When the District Board adopts the budget, it establishes the proposed dollar amount of the operational and debt service tax levy, not the final mill rates. Actual valuation figures are not available until October, at which time operational and debt service mill rates are established.

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

### **Independent Audit**

CliftonLarsonAllen LLP, Certified Public Accountants, has issued an unmodified (“clean”) opinion on Northcentral Technical College District’s financial statements for the year ended June 30, 2023. The independent auditor’s report is located at the front of the financial section of this report. The auditor’s reports that relate specifically to the single audit are included in the single audit section.

### **Excellence in Financial Reporting**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Northcentral Technical College for its annual comprehensive financial report for the fiscal year ended June 30, 2022. This was the 27<sup>th</sup> consecutive year that NTC has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both accounting principles generally accepted in the United States and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program’s requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### ***Acknowledgement***

The timely preparation of this report was accomplished through the cooperative and concerted efforts of the Financial Services and Community + Government Relations offices of Northcentral Technical College and with the professional services of the District’s independent audit firm, CliftonLarsonAllen LLP. We express our appreciation to the District Board for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,



Dr. Jeannie Worden  
President



Dr. Chet Strebe  
Vice President, Business and Technology

# NORTHCENTRAL TECHNICAL COLLEGE

Wausau, Wisconsin

## **ANNUAL COMPREHENSIVE FINANCIAL REPORT** **For the Year Ended June 30, 2023**

### **Members of the Board**

Tom Felch (Central Region), Chairperson  
Paul Proulx (Central Region), Vice Chairperson  
Charlie Paulson (West Region), Secretary/Treasurer  
Troy Brown (East Region), Member  
Sherry Bunten (East Region), Member  
Tucona Crowder (Central Region), Member  
Michael Endreas, Member  
Keith Langenhahn, Member  
Heather Renzelmann (Central Region), Member

### **Executive Leadership Team**

Dr. Jeannie Worden, President  
Dr. Darren Ackley, Vice President, Learning  
Dr. Sarah Dillon, Vice President, Student Services & Regional Campuses  
Rob Elliott, Associate Vice President, Facilities Management  
Katie Felch, Vice President, Community & Government Relations  
Dr. Chet Strebe, Vice President, Business & Technology  
Cher Vink, Vice President, Human Resources & Risk Management

### **Officials Issuing Report**

Dr. Jeannie Worden, President  
Dr. Chet Strebe, Vice President, Business & Technology

### **Report Prepared By**

Dr. Chet Strebe, Vice President, Business & Technology  
Christina Rickert, Director of Finance  
Sara Melk, Accounting Manager, Revenue Strategies and Operations  
Ann Thurs, Accounting Manager, General Ledger and Financial Reporting  
NTC Finance Team

### **Technical Support Provided by College Teams**

Facilities, Finance, Human Resources, Information Technology, Institutional Research, Learning, Marketing, and Student Services

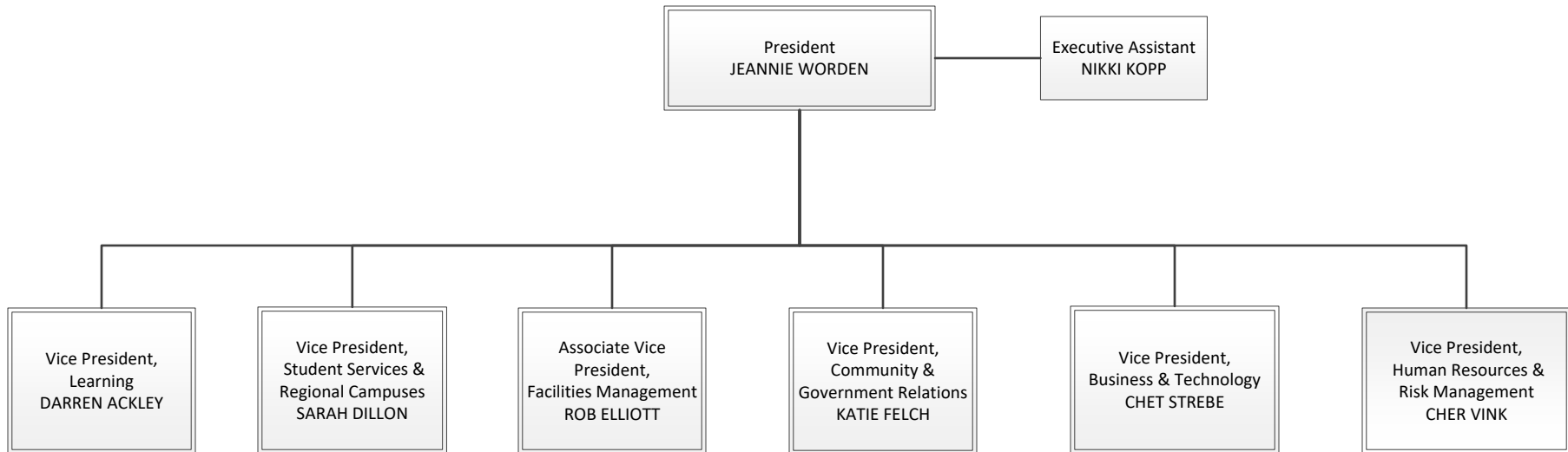
### **MISSION STATEMENT**

Northcentral Technical College provides high-quality, learner and employer focused, educational pathways committed to enriching lives and strengthening the economy.

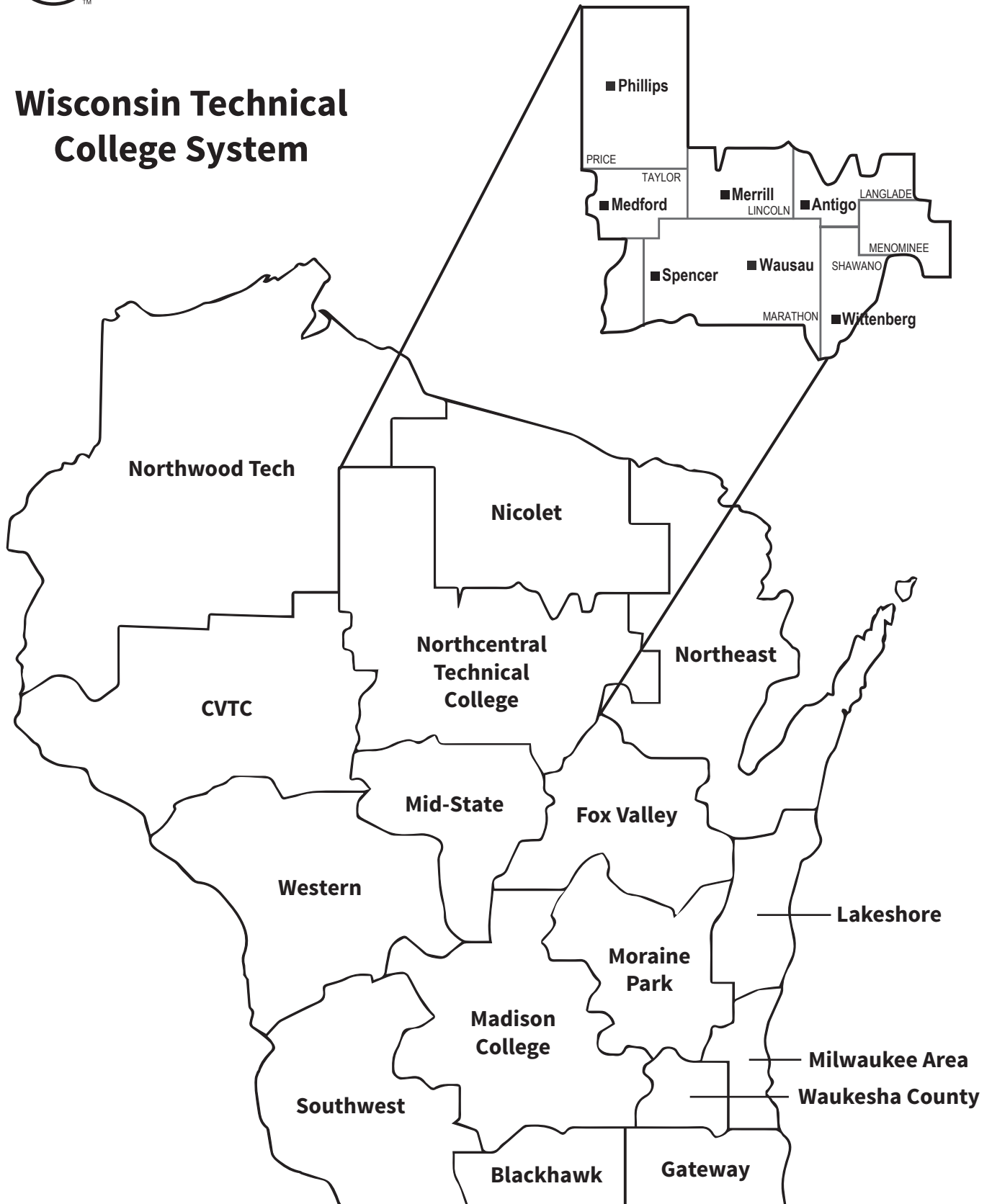
### **DISTRICT OFFICE**

Northcentral Technical College  
1000 W. Campus Drive, Wausau, Wisconsin 54401, 715.675.3331

# NORTHCENTRAL TECHNICAL COLLEGE ORGANIZATIONAL CHART



## Wisconsin Technical College System





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Northcentral Technical College District  
Wisconsin**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO



# FINANCIAL SECTION



**YEARS ENDED 2023 & 2022**

Annual Comprehensive  
Financial Report



## INDEPENDENT AUDITORS' REPORT

District Board  
Northcentral Technical College District  
Wausau, Wisconsin

### Report on the Audit of Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of Northcentral Technical College District (the District), as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and aggregate remaining fund information of the District as of June 30, 2023 and 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States.

#### **Basis for Opinions**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Emphasis-of-Matter Regarding a Change in Accounting Principle**

As discussed in Note 14 to the financial statements, the District adopted GASB Statement No. 96, *Subscription Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

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

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

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



### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States require that the management's discussion and analysis, the schedules of changes in the employer's total other postemployment benefit (OPEB) liability and related ratios, and the schedules of the employer's proportionate share of the net pension liability (asset) and employer contributions - Wisconsin Retirement System, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the

basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The budgetary comparison schedules and schedules of expenditures of federal and state awards, 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 of Wisconsin Single Audit Guidelines*, issued by the Wisconsin Department of Administration, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the budgetary comparison schedules and the accompanying schedules of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2023, 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**

Wauwatosa, Wisconsin  
December 19, 2023

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

# Northcentral Technical College District

## Management's Discussion and Analysis

Year Ended June 30, 2023

---

Northcentral Technical College District's ("NTC", the "College", or the "District") Management's Discussion and Analysis (MD&A) of its financial condition provides an overview of financial activity, identifies changes in financial position, and assists the reader of these financial statements in focusing on noteworthy financial issues for the years ended June 30, 2023 and 2022.

While maintaining its financial health is crucial to the long-term viability of NTC, 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 there are sufficient reserve funds for future operations and implementation of new initiatives. The MD&A provides summary level financial information; therefore, it should be read in conjunction with the accompanying financial statements.

This comprehensive annual financial report consists of a series of financial statements, prepared in accordance with accounting principles generally accepted in the United States, 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 GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*.

### 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 performed by the College are classified as either operating or nonoperating activities. In general, a public college such as NTC will report an overall operating deficit or loss, as the financial reporting model classifies state appropriations and property taxes as nonoperating 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.

## Statement of Revenues, Expenses, and Changes in Net Position (Continued)

Following is a condensed version of the Statement of Revenues, Expense, and Changes in Net Position:

	2023	Increase or (Decrease) %	2022 (As Restated)	Increase or (Decrease) %	2021
<b>OPERATING REVENUES</b>					
Student Fees	\$ 6,987,596	-0.5%	\$ 7,021,768	9.7%	\$ 6,399,164
Federal Grants	7,512,766	23.2%	6,097,982	-8.3%	6,651,294
State Grants	4,078,111	1.9%	4,003,017	15.5%	3,465,957
Contract Revenues	5,309,447	8.3%	4,902,395	27.0%	3,859,875
Auxiliary Enterprise Revenues	2,063,309	-2.0%	2,105,630	1.7%	2,069,712
Miscellaneous	898,421	3.5%	868,016	-12.4%	990,569
Total Operating Revenues	26,849,650	7.4%	24,998,808	6.7%	23,436,571
<b>OPERATING EXPENSES</b>					
Instruction	33,427,679	22.4%	27,307,022	6.7%	25,592,175
Instructional Resources	1,273,267	13.2%	1,124,463	49.6%	751,674
Student Services	5,335,454	12.0%	4,764,606	21.0%	3,937,774
General Institutional	12,604,792	37.4%	9,175,463	9.0%	8,415,620
Physical Plant	3,725,383	-0.6%	3,746,237	9.6%	3,419,077
Auxiliary Enterprise Services	2,252,885	8.8%	2,071,539	4.3%	1,985,894
Depreciation	12,170,756	7.0%	11,375,288	26.6%	8,982,799
Student Aid	2,668,655	-63.1%	7,227,917	150.9%	2,880,996
Total Operating Expenses	73,458,871	10.0%	66,792,535	19.3%	55,966,009
<b>OPERATING LOSS</b>	(46,609,221)	11.5%	(41,793,727)	28.5%	(32,529,438)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Property Taxes	21,613,330	-4.6%	22,644,579	-1.2%	22,919,150
State Operating Appropriations	22,078,799	1.8%	21,691,319	6.4%	20,385,536
HEERF Act Funding	1,301,418	-83.9%	8,078,397	0.0%	3,258,871
Gain (Loss) on Disposal of Capital Assets	(44,316)	-59.7%	(109,988)	147.8%	(44,392)
Investment Income	1,331,426	2404.0%	53,172	-1.2%	53,840
Interest Expense	(1,169,576)	10.0%	(1,063,275)	1.4%	(1,048,105)
Net Nonoperating Revenues	45,111,081	-12.1%	51,294,204	12.7%	45,524,900
<b>CHANGE IN NET POSITION</b>	(1,498,140)	-115.8%	9,500,477	-26.9%	12,995,462
Net Position - Beginning of Year	72,567,514		63,067,037		50,071,575
<b>NET POSITION - END OF YEAR</b>	<u>\$ 71,069,374</u>		<u>\$ 72,567,514</u>		<u>\$ 63,067,037</u>

## Statement of Revenues, Expenses, and Changes in Net Position (Continued)

Some of the noteworthy results of operations for the current year are reflected below:

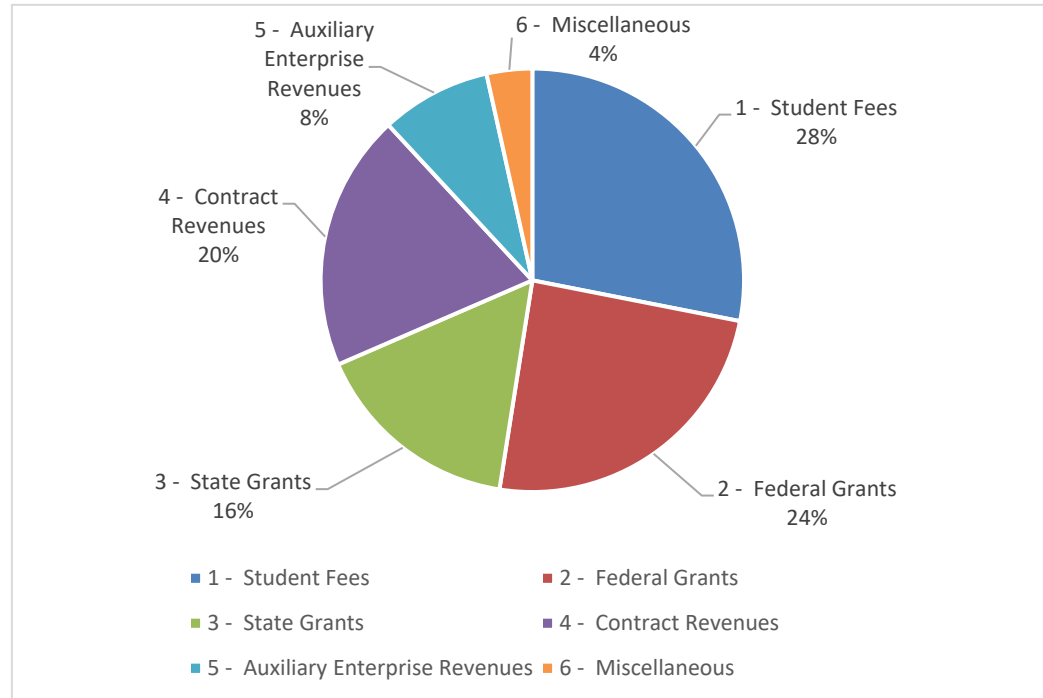
Operating revenues are the charges for services offered by the College. During 2023, the College generated \$26.8 million of operating revenues for the offering of services, up 7.4% from 2022 (\$25.0 million), which was up 6.7% from 2021 (\$23.4 million). Significant items and revenue sources are as follows:

- Student fees decreased 0.5% (\$34k) in fiscal year 2023, compared to \$7.0 million and \$6.4 million in 2022 and 2021, respectively. Total revenues from program, material, and other student fees were approximately \$10.5 million, down 7% before scholarship allowances.
- Nearly \$11.6 million in operating revenues from state and federal grants were earned by the District during the year, up as compared to \$10.1 million in 2022 and 2021. The increase in operating revenue (25%) in 2023 was primarily due to additional federal awards received by the College. The 15.5% increase in state revenue in 2022 was due, in part, to increased Wisconsin Technical College System grant dollars awarded. There was also increased spending in 2022 on multi-year grant awards due to fewer COVID-19 restrictions and delays. Federal revenue decreased 8.3% due to an NSF grant ending in FY21 and the Department of the Treasury COVID-19 relief funding ending in FY21.
- Contract revenues of \$5.3 million for the year represent revenues from instructional and technical assistance contracts with businesses and industries, as well as local school districts. The increase in contract revenues in 2023 represents increased contract activity due to operations stabilizing subsequent to the COVID-19 pandemic. The 27% increase in contract revenues in 2022 represents increased contract activity due to restrictions lifting subsequent to the COVID-19 pandemic.
- Auxiliary enterprise revenues include revenues generated by the campus store, campus café, dental clinic, and other similar activities of the College. These activities generated revenues of approximately \$2.0 million this year, a decrease of 2.0% from the prior year.
- Miscellaneous revenue increased 3.5% in 2023 to roughly \$.9 million, which had decreased 12.4% in the prior fiscal year. This revenue category includes rental income, commissions, and donations; NTC experienced growth in commission and rental income in 2023 compared to the decline seen in the prior fiscal year.



## Statement of Revenues, Expenses, and Changes in Net Position (Continued)

The graph below depicts the District's operating revenue by source:

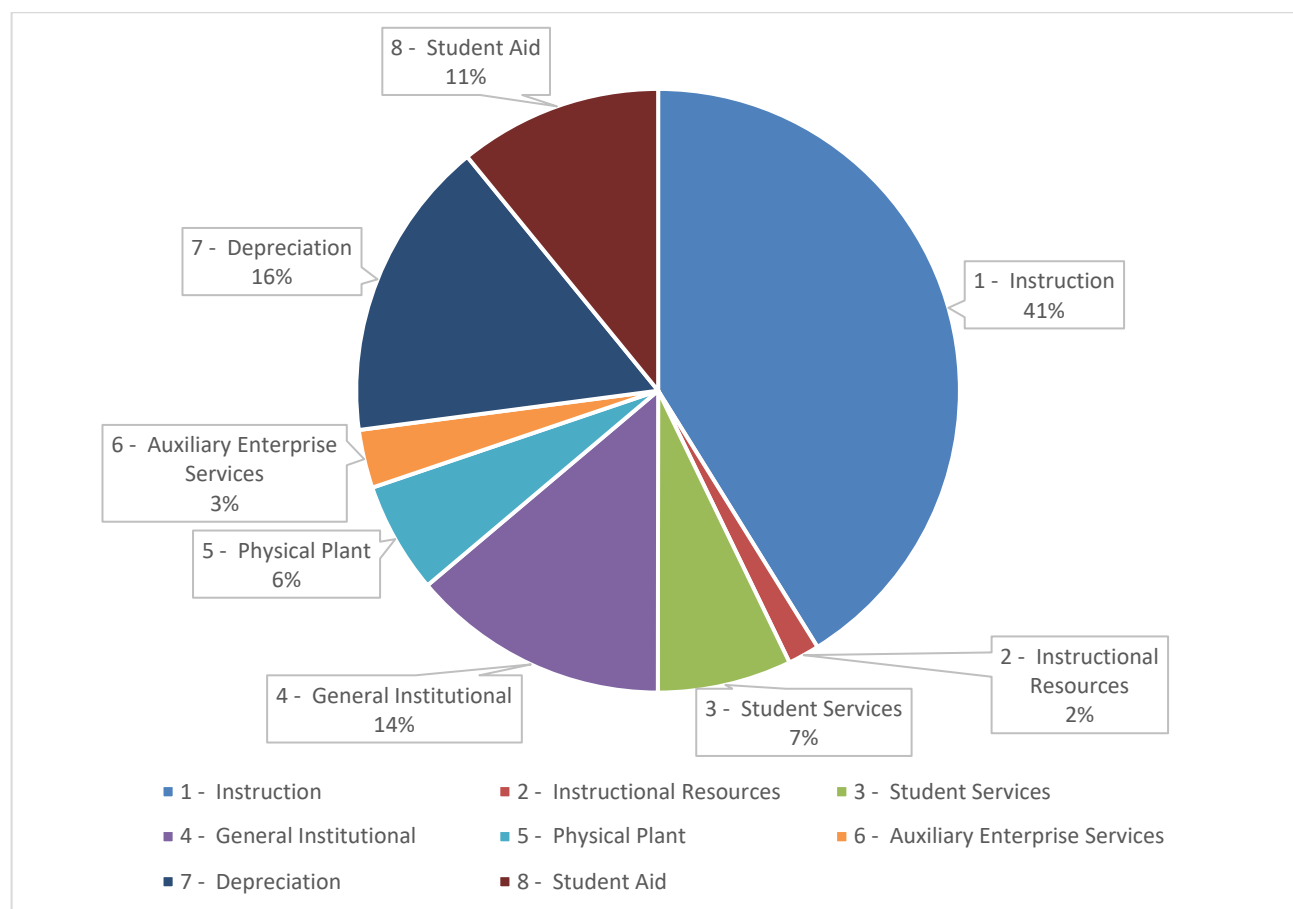


Operating expenses are costs related to offering the programs of the District. During 2023, operating expenses totaled \$73.5 million, up from \$66.7 million in 2022. The majority of the District's expenses, about 54%, are for personnel related costs. Other major types of expenses include supplies and minor equipment (3%), contracted services (8%), depreciation (15%), and student aid (4%). Expenses such as travel, printing, advertising, repairs and maintenance, rentals, insurance, utilities, and other expenses account for the remaining 16% of total operating expenses. (See Note 13 to the Financial Statements for further details.)

- Salaries increased \$396,000 or 1.3% in 2023 and increased \$2,518,100 or 8.7% in 2022.
- Employee benefit expenses increased \$1,212,049 or 25% in 2023 and increased \$439,337 or 10% in 2022.
- NTC experienced increased costs related to travel, memberships and subscriptions, supplies and minor equipment, postage, printing and advertising, repairs and maintenance, contracted services, utilities, and other in 2023.
- NTC saw a decrease in costs related rentals, insurance, and student aid. Depreciation expense decreased \$0.5 million or 4.5% compared to 2022.
- Student financial aid awards (excluding student loans) decreased 63.1% in 2023, due primarily to less COVID-19 pandemic funding awarded during fiscal year 2023.

## Statement of Revenues, Expenses, and Changes in Net Position (Continued)

The graph below categorized operating expenses by function:



Nonoperating revenues and expenses are items not directly related to providing instruction. Net nonoperating revenues for the year ended June 30, 2023, were approximately \$45.1 million. The most significant components of net nonoperating revenues include the following:

- Property taxes levied by the District for the year were approximately \$21.6 million, a 4.6% or \$1.0 million decrease from the prior fiscal year, due to a property tax levy shift to the State of Wisconsin for property tax relief aid, offset by property taxes levied for net new construction and for retirement of debt. The prior year decrease of 1.2% was also due to a property tax levy shift to the State of Wisconsin for property tax relief aid, offset by property taxes levied for net new construction and for retirement of debt.
- State operating appropriations accounted for approximately \$22.1 million in revenues in 2023, up from \$21.7 million in 2022, which had increased from \$20.4 million in 2021.
- In 2023 the District received Higher Education Emergency Relief Funds for both Student and Institutional Aid.
- Investment income was up 2404.0% or \$1.3 million during 2023 due to significant increases in interest rates during the fiscal year. Investment income stayed relatively consistent at \$53k during 2022 and 2021.
- Interest expense of approximately \$1,169,576 was recorded by the District this year, up 10.0% from \$1,063,275 in 2022, which increased 1.4% from \$1,048,105 in 2021.
- Net position at June 30, 2023, was \$71,069,374 as a result of the above activity.

## Statement of Cash Flows

The statement of cash flows presents information related to cash inflows and outflows, summarized by operating, noncapital, capital and related 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:

	2023	Increase or Decrease %	2022 (As Restated)	Increase or Decrease %	2021
Net Cash Provided (Used) by Operating Activities	\$ (29,485,787)	-8.2%	\$ (32,129,228)	11.3%	\$ (28,877,054)
Net Cash Provided by Noncapital Financing Activities	44,460,665	-15.6%	52,671,099	13.0%	46,608,750
Net Cash Provided (Used) by Capital and Related Financing Activities	(17,315,189)	0.6%	(17,205,538)	80.3%	(9,540,715)
Net Cash Provided by Investing Activities	1,331,426	2404.0%	53,172	-1.2%	53,840
Net increase (decrease) in cash and cash equivalents	<u>\$ (1,008,885)</u>		<u>\$ 3,389,505</u>		<u>\$ 8,244,821</u>

Specific items of interest related to the statement of cash flows include the following:

- The largest component of cash used in operating activities is typically payments to suppliers for the cost of doing business. Approximately \$24.9 million was paid in 2023, as compared to \$24.5 million in 2022, and \$22.5 million in 2021.
- Another significant component of operating cash flows is payments to employees. The District paid \$31.9 million in salaries/wages and benefits in 2023 (\$32.5 million in 2022 and \$28.8 million in 2021).
- The largest cash inflows from operating activities included \$3.8 million in student fees and \$11.6 million in state and federal grants in 2023, as compared to \$6.7 million in student fees and \$10.1 million, respectively in 2022, and \$5.4 million and \$10.1 million, respectively in 2021.
- All property taxes received, roughly \$24.6 million this year, are categorized as cash flows from noncapital financing activities (\$22.6 million in 2022 and \$23.0 million in 2021). HEERF funding totaled nearly \$1.3 million in 2023, and approximately \$8.1 million in 2022. The other major item in this category is state appropriations, which accounted for \$22.1 million of positive cash flow (\$21.7 million in 2022 and \$20.4 million in 2021.).
- The cash used in capital and related financing activities is primarily for purchases of capital assets and capital related debt activity (debt proceeds and principal and interest payments).
- Investment income is interest received on the District's investments.
- Overall, the District's cash decreased \$1,008,885 for the current fiscal year.

## Statement of Net Position

The statement of net position includes all assets (items the District owns and amounts owed to the District by others) 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 expense and liabilities are recognized when others provide the service to the District regardless of when cash is exchanged.

Below are the highlights of the components of the statement of net position:

	2023	Increase or (Decrease) %	2022 (As Restated)	Increase or (Decrease) %	2021
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 50,104,755	-2.0%	\$ 51,113,640	7.1%	\$ 47,724,135
Net capital assets	75,719,555	3.0%	73,495,889	19.9%	61,286,059
Other assets	14,062,844	-39.9%	23,382,554	4.2%	22,430,796
Total Assets	<u>\$ 139,887,154</u>	<u>-5.5%</u>	<u>\$ 147,992,083</u>	<u>12.6%</u>	<u>\$ 131,440,990</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 31,640,902</u>	<u>23.6%</u>	<u>\$ 25,601,156</u>	<u>47.7%</u>	<u>\$ 17,335,921</u>
<b>LIABILITIES</b>					
Other Liabilities	\$ 9,660,206	150.7%	\$ 3,852,879	-10.2%	\$ 4,289,828
Noncurrent liabilities	71,491,391	9.8%	65,112,537	11.9%	58,176,612
Total Liabilities	<u>\$ 81,151,597</u>	<u>17.7%</u>	<u>\$ 68,965,416</u>	<u>10.4%</u>	<u>\$ 62,466,440</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>\$ 19,307,085</u>	<u>-39.8%</u>	<u>\$ 32,060,309</u>	<u>37.9%</u>	<u>\$ 23,243,434</u>
<b>NET POSITION</b>					
Net Investment in Capital Assets	\$ 37,213,215	10.4%	\$ 33,696,112	14.2%	\$ 29,514,527
Restricted:					
Net Pension Asset	-	-100.0%	13,204,201	0.0%	10,460,144
Debt Service	8,145,380	4.3%	7,812,886	4.7%	7,461,581
Unrestricted	25,710,779	44.0%	17,854,315	14.2%	15,630,785
Total Net Position	<u>\$ 71,069,374</u>	<u>-2.1%</u>	<u>\$ 72,567,514</u>	<u>15.1%</u>	<u>\$ 63,067,037</u>

A more detailed analysis reveals the following facts:

- As shown above, the largest component of the District's assets is capital assets. Total cost of capital assets and accumulated depreciation at June 30, 2023, was approximately \$177.1 million and \$101.4 million, respectively. Capital assets at June 30, 2022, were approximately \$163.7 million and \$90.2 million accumulated depreciation and capital assets at June 30, 2021, were \$140.9 million and \$79.6 million accumulated depreciation.
- The other assets category is primarily made up of various accounts receivable balances, including property taxes receivable of over \$6.3 million (\$5.7 million in 2022 and \$6.0 million in 2021), and a net pension assets of \$-0- (\$13.2 million in 2022 and \$10.5 million in 2021).

## Statement of Net Position (Continued)

- Deferred outflows of resources include Wisconsin Retirement System (differences between expected and actual experience, differences between projected and actual earnings on pension plan investments, changes in assumptions, and employer contributions subsequent to measurement date) and Other Post Employment Benefits (employer contributions subsequent to measurement date, differences between expected and actual experience, and changes in assumptions).
- Other liabilities include accounts payable and various types of accruals.
- Noncurrent liabilities represent the total long-term obligations of the District outstanding at year-end.
- Deferred inflows of resources include Wisconsin Retirement System (differences between expected and actual experience) and Other Post Employment Benefits (changes in assumptions or other inputs).

## Capital Assets and Debt Administration

The District's investment in capital assets as of June 30, 2023, amounts to \$75.7 (net of accumulated depreciation). This includes land and land improvements, buildings and improvements, and moveable equipment.

### The District completed the following during fiscal year 2022-2023.

#### Facilities-related Projects, Wausau Campus:

- \$1,163,000 – Industry 4.0 Addition
- \$ 590,000 – Advanced Manufacturing & Engineering Renovation
- \$ 341,000 – Communication Technology Center/Studio 7 Remodel
- \$ 306,000 – Elevator Modernization – A & F Building Elevators
- \$ 237,000 – General Maintenance Capital Projects and Small Remodeling Projects
- \$ 227,000 – Floor Refinishing
- \$ 206,000 – Infrared Lighting Upgrades
- \$ 120,000 – Academic Excellence Office Remodel – Upper Library
- \$ 111,000 – EMS & CNA Remodel
- \$ 106,000 – Academic Excellence Faculty Training Center Renovation
- \$ 93,000 – Wausau Parking Lot Improvements
- \$ 77,000 – Data Cabling for remodeled areas

#### Facilities Related Projects, Regional Campuses:

- \$1,243,000 – Veterinary Technician Lab & Classroom Remodel
- \$ 356,000 – Ag Storage Building
- \$ 180,000 – General Maintenance Capital Projects and Small Remodeling Projects

#### Additional Major Capital Purchases:

- \$1,625,000 – Instructional-related Equipment, including:
- \$411,000 – FANUC CRX – 10iA Robots (set of 8), Industry 4.0
- \$351,000 – Autonomous Cobot Robot, Industry 4.0
- \$186,000 – 2023 Ambulance, EMS-Paramedic
- \$162,000 – Virtual Production Video Wall/Green Screen, Communications-Video Production
- \$126,000 – Haptic Robot, Industrial Manufacturing Technology
- \$109,000 – 2020 Kenworth T680 Semi Tractor, CDL
- \$104,000 – Armstrong Wood Saw Filing Equipment, Wood Technology
- \$ 87,000 – Industrial Lab Cabinetry, Industry 4.0

**Statement of Net Position (Continued)**

- \$ 89,000 – Go!Scan Spark Scanners (set of 3), Industry 4.0
- \$1,564,000 – NTC Connect Classrooms Upgrade, 60 Rooms – Equipment & Installation
- \$ 370,000 – IT Equipment – PC's, Laptops, and related
- \$ 314,000 – Cisco Core Switch Replacement
- \$ 170,000 – E101/E102 AV Upgrades – Equipment & Installation

Construction in Progress, totaling approximately \$10,060,000, included the following at fiscal year-end.

Facilities Related Projects, Wausau Campus:

- CHS HVAC Upgrades
- H Building Roof Replacement
- Health Occupations Industry 4.0 Renovation
- LED Lighting Upgrade
- Workforce Training Classroom Renovation
- Workforce Training Staff Offices Renovation

Facilities Related Projects, Regional Campuses:

- Ag Center Fencing
- Antigo Roof Replacement
- Antigo Sawmill Addition
- Feed Storage Building/Canopy
- Merrill Lot Improvements

Additional Major Capital Purchases:

- CDL Class A Semi Tractor
- Heath Occupations Industry 4.0 Instructional Equipment
- Industry 4.0 Instructional Equipment
- Meat Talent Equipment
- NTC Connect Smart Classroom Equipment and Installations
- Sawmill Equipment
- Server Equipment
- Workday ERP

Additional information on the District's capital assets can be found in financial statement note 4.

At the end of the 2023 fiscal year, the District had total general obligation debt outstanding of \$48,910,000. NTC's bonds have a Moody's Investors Service rating of Aa1, and the District met all of its debt service requirements. All general obligation debt for equipment and building and remodeling is repaid in ten years. The debt is secured by the full faith and credit of the unlimited taxing powers of the District. The current debt adequately replaces and expands the equipment and facility needs of the District. Additional information on the District's long-term debt can be found in financial statement note 5.

**Financial Position**

In May 2005, the District's bond rating assigned by Moody's Investors Service was upgraded from Aa3 to Aa2 on total outstanding debt. In May 2006 through May 2009 this Aa2 rating was reaffirmed. In May 2010, this rating was recalibrated by Moody's Investors Service to Aa1 and has been reaffirmed each year through April 2023. The Aa1 rating reflects the District's sound financial operations supported by healthy reserves and trend of annual General Fund surpluses, ability to generate additional revenues under the state imposed operating mill rate cap, large tax base, and average debt burden with a very rapid rate of principle amortization.

## **Statement of Net Position (Continued)**

The District 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, the College is poised to continue to obtain the resources to adequately finance normal enrollment over the next decade.

### **Economic Factors**

Wisconsin's unemployment rate for August 2023 was 3.7 percent, not seasonally adjusted. One of the ten counties in the NTC District, Menominee County, is experiencing an unemployment rate above the state rate. In addition, Menominee County is experiencing the highest rate in the state at 5.8 percent. Preliminary unemployment rates for September 2023 show all counties in the NTC district remaining consistent from August to September.

As the need for skilled workers grows in Wisconsin, there will continue to be a demand for the educational services provided by NTC. Through flexible course and program offerings, the College will ensure that students have the opportunity to seek the credential(s) needed for the workforce and businesses have the talent pipeline essential for their success.

NTC will continue to implement cost-saving measures to mitigate the state budget impact on student enrollments and services provided by the College to students and businesses within the District. Declining state aids underscore the importance of prudent fiscal management and long-term planning at NTC.

### **Contacting the District's Financial Management**

The financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Christina Rickert, Director of Finance, at 1000 W. Campus Dr., Wausau, WI 54401

# Financial Statements

---



**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
STATEMENTS OF NET POSITION  
JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022 (As Restated)</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 50,104,755	\$ 51,113,640
Property Taxes Receivable	6,283,117	5,750,235
Accounts and Other Receivables - Net	6,263,228	3,620,206
Inventories	139,101	191,929
Prepaid Expenses and other assets	<u>1,377,398</u>	<u>615,983</u>
Total Current Assets	64,167,599	61,291,993
<b>NONCURRENT ASSETS</b>		
Restricted - Net Pension Asset	-	13,204,201
Capital Assets Not Being Depreciated	11,188,864	9,299,505
Capital Assets Being Depreciated	165,907,476	154,407,975
Less: Accumulated Depreciation	<u>(101,376,785)</u>	<u>(90,211,591)</u>
Total Noncurrent Assets	<u>75,719,555</u>	<u>86,700,090</u>
Total Assets	139,887,154	147,992,083
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Related to OPEB - District OPEB Plan	416,578	818,944
Related to Pensions	<u>31,224,324</u>	<u>24,782,212</u>
Total Deferred Outflows of Resources	<u>31,640,902</u>	<u>25,601,156</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 171,528,056</u>	<u>\$ 173,593,239</u>

See accompanying Notes to Financial Statements.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
STATEMENTS OF NET POSITION (CONTINUED)  
JUNE 30, 2023 AND 2022**

	2023	2022 (As Restated)
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 3,783,582	\$ 1,617,111
Accrued Liabilities:		
Payroll, Payroll Taxes, and Insurance	1,880,250	1,329,304
Interest	463,133	438,309
Unearned Revenue	3,533,241	468,155
Total Current Liabilities	<u>9,660,206</u>	<u>3,852,879</u>
<b>NONCURRENT LIABILITIES</b>		
Due Within One Year	15,357,531	13,439,651
Due in More than One Year	43,885,174	47,156,198
Total OPEB Liability - District OPEB Plan	3,607,259	4,516,688
Net Pension Liability	8,641,427	-
Total Noncurrent Liabilities	<u>71,491,391</u>	<u>65,112,537</u>
 Total Liabilities	 81,151,597	 68,965,416
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Related to OPEB - District OPEB Plan	1,205,747	947,263
Related to Pensions	18,101,338	31,113,046
Total Deferred Inflows of Resources	<u>19,307,085</u>	<u>32,060,309</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	37,213,215	33,696,112
Restricted:		
Pension Benefits	-	13,204,201
Debt Service	8,145,380	7,812,886
Unrestricted	\$ 25,710,779	\$ 17,854,315
Total Net Position	<u>71,069,374</u>	<u>72,567,514</u>
 Total Liabilities, Deferred Inflows of Resources, and Net Position	 <u>\$ 171,528,056</u>	 <u>\$ 173,593,239</u>

See accompanying Notes to Financial Statements.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEARS ENDED JUNE 30, 2023 AND 2022**

	2023	2022 (As Restated)
<b>OPERATING REVENUES</b>		
Student Program Fees, Net of Scholarship Allowances of \$3,169,686 and \$3,849,499 Respectively	\$ 5,950,417	\$ 6,071,204
Student Material Fees, Net of Scholarship Allowances of \$114,253 and \$164,829, Respectively	369,703	364,103
Other Student Fees, Net of Scholarship Allowances of \$268,253 and \$317,387, Respectively	667,476	586,461
Federal Grants	7,512,766	6,097,982
State Grants	4,078,111	4,003,017
Business and Industry Contract Revenues	4,465,017	4,012,673
School District Contract Revenues	844,430	889,722
Auxiliary Enterprise Revenues	2,063,309	2,105,630
Miscellaneous	898,421	868,016
Total Operating Revenues	<u>26,849,650</u>	<u>24,998,808</u>
<b>OPERATING EXPENSES</b>		
Instruction	33,427,679	27,307,022
Instructional Resources	1,273,267	1,124,463
Student Services	5,335,454	4,764,606
General Institutional	12,604,792	9,175,463
Physical Plant	3,725,383	3,746,237
Auxiliary Enterprise Services	2,252,885	2,071,539
Depreciation and Amortization	12,170,756	11,375,288
Student Aid	2,668,655	7,227,917
Total Operating Expenses	<u>73,458,871</u>	<u>66,792,535</u>
<b>OPERATING LOSS</b>	(46,609,221)	(41,793,727)
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Property Taxes	21,613,330	22,644,579
State Operating Appropriations	22,078,799	21,691,319
HEERF Funding	1,301,418	8,078,397
Gain (Loss) on Disposal of Capital Assets	(44,316)	(109,988)
Investment Income	1,331,426	53,172
Interest Expense	(1,169,576)	(1,063,275)
Net Nonoperating Revenues	<u>45,111,081</u>	<u>51,294,204</u>
<b>CHANGE IN NET POSITION</b>	(1,498,140)	9,500,477
Net Position - Beginning of Year	<u>72,567,514</u>	<u>63,067,037</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 71,069,374</u></u>	<u><u>\$ 72,567,514</u></u>

See accompanying Notes to Financial Statements.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
STATEMENTS OF CASH FLOWS  
YEARS ENDED JUNE 30, 2023 AND 2022**

	2023	2022 (As Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Tuition and Fees Received	\$ 7,409,660	\$ 6,675,130
Federal and State Grants Received	11,590,877	10,100,999
Business, Industry, and School District Contract Revenues Received	5,309,447	4,902,395
Payments to Employees	(31,892,033)	(32,498,953)
Payments to Suppliers	(24,865,468)	(24,282,445)
Auxiliary Enterprise Revenues Received	2,063,309	2,105,630
Other Receipts	898,421	868,016
Net Cash Provided (Used) by Operating Activities	<u>(29,485,787)</u>	<u>(32,129,228)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Local Property Taxes Received	21,080,448	22,901,383
HEERF Funding	1,301,418	8,078,397
State Appropriations Received	22,078,799	21,691,319
Net Cash Provided (Used) by Noncapital Financing Activities	<u>44,460,665</u>	<u>52,671,099</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchases of Capital Assets	(14,619,931)	(16,667,790)
Proceeds from Sale of Capital Assets	42,401	32,673
Proceeds from issuance of capital debt	12,300,505	12,017,328
Debt issuance costs paid	(119,989)	(119,989)
Principal paid on capital debt	(12,590,000)	(10,750,000)
Principal paid on subscriptions	(589,145)	(205,093)
Principal paid on leases	(367,427)	(331,796)
Interest paid on capital debt	(1,371,603)	(1,180,871)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(17,315,189)</u>	<u>(17,205,538)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment Income Received	1,331,426	53,172
Net Cash Provided by Investing Activities	<u>1,331,426</u>	<u>53,172</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(1,008,885)	3,389,505
Cash and Cash Equivalents - Beginning of Year	<u>51,113,640</u>	<u>47,724,135</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 50,104,755</u></u>	<u><u>\$ 51,113,640</u></u>

See accompanying Notes to Financial Statements.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
STATEMENTS OF CASH FLOWS (CONTINUED)  
YEARS ENDED JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u> (As Restated)
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES</b>		
Operating Loss	\$ (46,609,221)	\$ (41,793,727)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation and Amortization	12,170,756	11,375,288
Changes in Operating Assets and Liabilities:		
Accounts and Other Receivables	(2,643,022)	(310,298)
Inventories	52,828	20,106
Prepaid Items	(761,415)	1,825,687
Accounts Payable	2,545,026	491,496
Accrued Expenses	550,946	(485,322)
Unearned Revenue	3,065,086	(36,340)
Net Pension Changes (Including Deferred Outflows and Inflows)	(6,249,619)	(3,148,403)
Postemployment Benefit Changes (Including Deferred Outflows and Inflows)	8,392,848	(67,715)
Net Cash Used by Operating Activities	<u><u>\$ (29,485,787)</u></u>	<u><u>\$ (32,129,228)</u></u>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>		
New subscription based information technology arrangements	<u><u>\$ 239,763</u></u>	<u><u>\$ -</u></u>
Purchase of Capital Assets in Accounts Payable	<u><u>\$ 1,045,870</u></u>	<u><u>\$ 667,315</u></u>

See accompanying Notes to Financial Statements.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
STATEMENTS OF FIDUCIARY NET POSITION  
JUNE 30, 2023 AND 2022**

	Custodial Funds	
	2023	2022
<b>ASSETS</b>		
Cash	\$ 1,212,693	\$ 1,788,980
Prepays	8,100	-
Receivables	27,003	-
	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 1,247,796</u>	<u>\$ 1,788,980</u>
<b>LIABILITIES AND NET POSITION</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 7,409	\$ 268,865
Other Liabilities	27,638	43,050
Total Liabilities	<u>35,047</u>	<u>311,915</u>
<b>NET POSITION</b>		
Restricted for Individuals and Organizations	<u>1,212,749</u>	<u>1,477,065</u>
	<u>          </u>	<u>          </u>
Total Liabilities and Net Position	<u>\$ 1,247,796</u>	<u>\$ 1,788,980</u>

See accompanying Notes to Financial Statements.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION  
YEARS ENDED JUNE 30, 2023 AND 2022**

	Custodial Funds	
	2023	2022
<b>ADDITIONS</b>		
Student Fees Collected	588,777	516,127
Purchasing Consortium Fees	4,319,648	4,634,922
Miscellaneous Fees	151,018	131,497
Total Additions	5,059,443	5,282,546
<b>DEDUCTIONS</b>		
Student Activities	540,180	465,366
Purchasing Consortium Expenses	4,372,514	4,526,116
Public Service Disbursements	411,065	112,118
Total Deductions	5,323,759	5,103,600
<b>CHANGE IN NET POSITION</b>	(264,316)	178,946
Net Position - Beginning of Year	1,477,065	1,298,119
<b>NET POSITION - END OF YEAR</b>	<u>\$ 1,212,749</u>	<u>\$ 1,477,065</u>

*See accompanying Notes to Financial Statements.*

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Introduction**

The financial statements of Northcentral Technical College District (the District) have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to public colleges and universities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the District are described below.

**Reporting Entity**

The District was organized in 1911 under state legislation. The District is fully accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The geographic area of the District is comprised of all or part of ten counties.

The District, governed by a nine-member Board appointed by Board chairpersons of counties within the service area, operates a public technical college offering one and two year degrees, technical certificates, and a comprehensive adult education program. As the District's governing authority, the Board's powers include:

- Authority to borrow money and levy taxes.
- Budgeting 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 provided, and to approve the hiring or retention of the District President who implements Board policy and directives.

This report includes all activities of the District. The reporting entity for the District consists of (a) the primary government, (b) organizations for which the primary government is accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.



**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reporting Entity (Continued)**

A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; or (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. This report does not contain any component units.

Northcentral Technical College Foundation, Inc. (the Foundation) and the NTC Property Foundation, Inc. (the Property Foundation) are separate legal entities, with separate governing bodies and budgets. The District is not financially accountable for or fiscally dependent on the Foundation or the Property Foundation; therefore their financial statements are not included in this report.

**Measurement Focus and Basis of Accounting**

The District's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, assets, and liabilities resulting from exchange and exchange-type transactions are recognized when the exchange takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Operating revenues and expenses generally include all fiscal transactions directly related to instructional and auxiliary enterprise activities plus administration, operation, and maintenance of capital assets and depreciation on capital assets. Included in nonoperating revenues are property taxes, state appropriations, investment income, and revenues for capital construction projects and certain federal grants. Interest on debt is a nonoperating expense. All significant inter-district transactions have been eliminated.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Estimates**

The preparation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**Cash, Cash Equivalents, and Investments**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, short-term investments with original maturities of three months or less from the date of acquisition, and shares in the local government investment pool.

State statutes permit the District to invest available cash balances in time deposits (maturing in not more than three years) of authorized depositories, U.S. Treasury obligations, U.S. government agency issues, municipal obligations within Wisconsin, high-grade commercial paper which matures in less than seven years, and the local government pooled investment fund administered by the state investment board.

All investments are stated at fair value, except for the local government investment pool, which is reported at amortized cost. Determination of fair value for investment in the local government investment pool is based on information provided by the State of Wisconsin Investment Board. Investment income includes changes in fair value of investments, interest, and realized gains and losses.

**Receivables**

Student accounts receivable are reported net of any anticipated losses due to uncollectible accounts. The District considers student accounts to be past due when a student has an account balance after the payment due date for the class. Contract receivables are considered past due 30 days after the date of billing. Past due accounts are subject to past due letter collection efforts and are subsequently placed with third-party collection agencies including the State of Wisconsin Tax Refund Interception Program (TRIP) and the State of Wisconsin State Debt Collection Program (SDC). If an account balance still exists at the conclusion of the 9- to 12-month collection period, the account is written off. The collectability of individual accounts is evaluated closely at the close of each fiscal year and the allowance for uncollectible accounts is adjusted to a level which, in management's judgment, is adequate to absorb potential losses inherent in the receivable portfolio. No additional allowance for uncollectible accounts has been provided since it is believed such allowance would be immaterial. The District does not assess finance charges against receivables that are past due.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Inventories**

Inventories of resale books and supplies are valued at the lower of cost or market, using the first-in/first-out (FIFO) method. Instructional and administrative inventories are accounted for as expenses when purchased as there are no material amounts on hand at year-end.

**Prepaid Expenses and Other Assets**

Prepaid expenses represent payments made by the District for which benefits extend beyond June 30. Other assets represent the District's participation in self-funded health insurance as described in Note 9.

**Capital Assets**

Capital assets are recorded at historical cost or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated acquisition value at the date of the donation. The District maintains a threshold level of a unit cost of \$5,000 or more for equipment and \$15,000 or more for remodeling costs for capitalizing capital assets. SBITA and lease assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA or lease contract made to the SBITA or lease vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA or lease vendor incentives received from the SBITA or lease vendor at the commencement of the SBITA or lease term.

Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed by the District, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 15 to 50 years for site improvements and buildings and 5 to 15 years for furniture and equipment and computer software. SBITA and lease assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as the projects are constructed.

Capital assets are reviewed for impairment when events or changes in circumstances suggest that the service utility of the capital asset may have significantly and unexpectedly declined. Capital assets are considered impaired if both the decline in service utility of the capital asset is large in magnitude and the event or change in circumstance is outside the normal life cycle of the capital asset. Such events or changes in circumstances that may be indicative of impairment include evidence of physical damage, enactment or approval of laws or regulations or other changes in environmental factors, technological changes or evidence of obsolescence, changes in the manner or duration of use of a capital asset, and construction stoppage. The determination of the impairment loss is dependent upon the event or circumstance in which the impairment occurred. Impairment losses, if any, are recorded in the statements of revenues, expenses, and changes in net position. There were no impairment losses recorded in the years ended June 30, 2023 and 2022.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Long-Term Obligations**

Long-term debt and long-term obligations are reported as liabilities in the financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefit Amounts**

*Vacation* – District employees are granted vacation in varying amounts, based on length of service and staff classifications. Forfeiture and carryover procedures vary between employee groups. Liabilities for vacation and salary-related payments, including social security taxes, are recorded when incurred.

*Sick Leave* – Employees hired after July 1, 2012, or later are not eligible for sick leave payout upon retirement. Facilities support staff with 15 years of service with a hire date prior to July 1, 2012, that retire at age 60 receive a lump sum payment of 50% of accumulated sick leave days, up to a maximum of 30 days paid out at their daily rate at retirement. This liability has been fully accrued and will decrease annually as individuals retire.

*Wisconsin Retirement System (WRS) Pension* – 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 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.

*Postemployment Benefits Other Than Pension Benefits* – 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 OPEB plan, and additions to/deductions from District fiduciary net position have been determined on the same basis as they are reported by the District. For this purpose, the District recognizes benefit payments when due and payable in accordance with the benefit term. Investments are reported at fair value.

**Restricted Assets**

Restricted assets are cash, cash equivalents, investments, and the net pension asset whose use is limited by legal requirements such as a bond indenture or investment in an irrevocable trust.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Net Position**

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Unspent portions of capital-related debt proceeds are not included in this category. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of the remaining amounts that do not meet the definition of the two preceding categories.

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

**Property Tax Levy**

Under Wisconsin law, personal property taxes and first installment real estate taxes are collected by city, town, and village treasurers or clerks who then make proportional settlement with the District and taxing entities treasurers for those taxes collected on their behalf. Second installment real estate taxes and delinquent taxes are collected by the county treasurer who then makes settlement with the taxing entities before retaining any for county purposes.

The aggregate District tax levy is apportioned and certified by November 6 of the current fiscal year for collection to comprising municipalities based on the immediate past October 1 full or "equalized" taxable property values. As permitted by a collecting municipality's ordinance, taxes may be paid in full by two or more installments with the first installment payable the subsequent January 31 and a final payment no later than the following July 31. On or before January 15, and by the 20th of each subsequent month thereafter, the District may be paid by the collecting municipalities its proportionate share of tax collections received through the last day of the preceding month. On or before August 20, the county treasurer makes full settlement to the District for any remaining balance.

The District Board is limited by state law that the operational tax levy cannot exceed a rate of \$1.50 per \$1,000 of the full equalized value of taxable property within the area served by the District for the purposes of making capital improvements, acquiring equipment, operating, and maintaining schools. The mill rate limitation is not applicable to taxes levied for the purpose of paying principal and interest on general obligation notes payable issued by the District. For the years ended June 30, 2023 and 2022, the District levied at the following mill rate:

	2023	2022
Operating Purposes	\$ 0.57249	\$ 0.57249
Debt Service Requirements	0.63817	0.63817
Total	<u>\$ 1.21066</u>	<u>\$ 1.21066</u>

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**State and Federal Revenues**

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

**Tuition and Fees**

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

**Scholarship Allowances and Student Financial Aid**

Financial aid to students is reported in the basic financial statements under the alternative method, as prescribed by the National Association of College and University Business Officers (NACUBO). Certain student financial aid (loans, funds provided to students as awarded by third parties, and federal direct loans) is accounted for as third-party payments (credited to the student's account as if the student made the payment). All other aid is reflected in the financial statements as operating expenses or scholarship allowances, which reduce revenue. Scholarship allowances represent the amount of aid applied directly to the student's account. The amount reported as operating expenses represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Under the alternative method, these amounts are computed on a total District basis by allocating the cash payments to students, excluding payments for services, on the ratio of all aid to the aid not considered to be third party aid.

**Classification of Revenues and Expenses**

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

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

*Nonoperating Revenues/Expenses* – Nonoperating revenues and expenses include activities that have the characteristics of nonexchange transactions. Nonoperating revenues include gifts and contributions and other revenue sources such as state appropriations, the local property tax levy, investment income, and any grants and contracts not classified as operating revenue or restricted by the grantor to be used exclusively for capital programs. Nonoperating expenses include interest on long-term debt and losses on the disposal of capital assets.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statements of net position will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports deferred outflows of resources related to pensions for its proportionate shares of collective deferred outflows of resources related to pensions and District contributions to pension plans subsequent to the measurement date of the collective net pension liability (asset). The District also reports deferred outflows of resources related to its other postemployment benefit (OPEB) plan including the District's contributions to OPEB subsequent to the measurement date of the total OPEB liability.

In addition to liabilities, the statements of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents the acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District reports deferred inflows of resources for its proportionate share of the collective deferred inflows of resources related to pensions. The District also reports deferred inflows of resources related to OPEB for changes in assumptions or other inputs.

**Subsequent Events**

Subsequent events have been evaluated through Report Date, which is the date the financial statements were available to be issued.

**GASB Statement No. 96, *Subscription-Based Information Technology Arrangements***

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The District adopted the requirements of the guidance effective July 1, 2022 and has applied the provisions of this standard to the beginning of the earliest comparative period presented. *See Note 14 for the restatement as a result of this implementation.*

**GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment arrangements***

The District adopted the requirements of GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment arrangements* as of July 1, 2022. The implementation of this standard did not have an impact on the financial statements.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 2 CASH AND INVESTMENTS**

Cash and cash equivalents consisted of the following at June 30:

	<u>2023</u>	<u>2022</u>
Cash on Deposit with Financial Institutions	\$ 6,413,162	\$ 34,566,188
Wisconsin Local Government Investment Pool	44,896,102	18,327,298
Cash on Hand	<u>8,184</u>	<u>9,134</u>
Cash and Cash Equivalents with Financial Institutions Carrying Amount	51,317,448	52,902,620
Less: Cash and Cash Equivalents Held by Fiduciary Funds	<u>(1,212,693)</u>	<u>(1,788,980)</u>
Total Cash and Cash Equivalents	<u><u>\$ 50,104,755</u></u>	<u><u>\$ 51,113,640</u></u>

**Deposits**

*Custodial Credit Risk* – Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2023, \$6,117,708, of the District's bank balance of \$7,117,708 was exposed to custodial credit risk as uninsured and collateralized with securities held by the pledging institutions agent, but not in the institution's name.

**Investments**

*Credit Risk* – Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State Statute limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations. Ratings are not required, or available, for the Wisconsin Local Government Investment Pool. The District has no investment policy that would further limit its investment choices.

*Interest Rate Risk* – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. As a means of managing its exposure to fair value losses arising from increasing interest rates, the District's investment policy limits the maturity of individual issues to not more than five years and the average maturity of the entire investment portfolio to not more than two years. State Statute limits the maturity of commercial paper and corporate bonds to not more than seven years. The average maturity of the Wisconsin Local Government Investment Pool is 31 days.



**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

*Concentration of Credit Risk* – The District's investment policy limits the amount that may be invested in any one issuer to 10% of the market value of the portfolio at the time of purchase, with the exception of U.S. government issues that are fully guaranteed by the U.S. government or agencies thereof. At June 30, 2023 and 2022, the District had no investments in any one issuer (excluding the external investment pool) that represent 5% or more of the total District investments.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to the transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District's investment policy does not limit the exposure to custodial credit risk for investments. All investments are held by the District's agent in the District's name and, therefore, are not exposed to custodial credit risk.

The District is a participant in the Local Government Investment Pool (LGIP), which is authorized in Wisconsin statutes 25.14 and 25.17 under the oversight of the State of Wisconsin Investment Board. The LGIP is not registered with the Securities Exchange Commission as an investment company. The LGIP operates and reports to participants on the amortized cost basis. LGIP pool shares are bought and redeemed at \$1 based on the amortized cost of the investments in the LGIP. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. The investment in the LGIP is not subject to the fair value hierarchy disclosures.

**NOTE 3 ACCOUNTS AND OTHER RECEIVABLES**

Accounts and other receivables consisted of the following at June 30:

	<u>2023</u>	<u>2022</u>
Federal and State Grants	\$ 2,360,172	\$ 1,793,760
Student Tuition and Fees	1,693,786	1,391,106
Business and Industry Contracts	-	126,116
Bookstore Sales	22,876	22,812
Health Claim Stop-Loss	-	3,705
Other	2,863,993	1,060,433
Allowance for Uncollectible Amounts	<u>(677,599)</u>	<u>(777,726)</u>
Total	<u>\$ 6,263,228</u>	<u>\$ 3,620,206</u>

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 4 CAPITAL ASSETS**

Capital asset balances and activity were as follows for the years ended June 30:

	2023			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 1,128,946	\$ -	\$ -	\$ 1,128,946
Construction in Progress	8,170,559	7,155,149	5,265,790	10,059,918
Total Capital Assets Not Being Depreciated	9,299,505	7,155,149	5,265,790	11,188,864
Capital Assets Being Depreciated:				
Site Improvements	14,241,095	115,851	-	14,356,946
Buildings and Building Improvements	71,111,415	5,159,223	-	76,270,638
Furniture and Equipment	53,313,143	6,953,599	1,092,279	59,174,463
Subscription Based IT Assets	7,529,160	260,922	-	7,790,082
Lease Assets (Right to Use)	2,128,831	-	-	2,128,831
Computer Software	6,084,331	102,185	-	6,186,516
Total Capital Assets Being Depreciated	154,407,975	12,591,780	1,092,279	165,907,476
Less Accumulated Depreciation for:				
Site Improvements	6,354,666	970,027	-	7,324,693
Buildings and Building Improvements	40,489,060	3,640,620	-	44,129,680
Furniture and Equipment	41,059,035	5,299,511	1,005,562	45,352,984
Subscription Based IT Assets	627,430	678,367	-	1,305,797
Lease Assets (Right to Use)	667,345	355,146	-	1,022,491
Computer Software	1,014,055	1,227,085	-	2,241,140
Total Accumulated Depreciation	90,211,591	12,170,756	1,005,562	101,376,785
Net Capital Assets	73,495,889	<u>\$ 7,576,173</u>	<u>\$ 5,352,507</u>	75,719,555
Less Outstanding Debt Related to Capital Assets, Including Premium	(60,595,849)			(59,242,705)
Plus Capital Projects Funds Borrowed But Not Spent	<u>20,796,072</u>			<u>20,736,365</u>
Net Investment in Capital Assets	<u>\$ 33,696,112</u>			<u>\$ 37,213,215</u>

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 4 CAPITAL ASSETS (CONTINUED)**

	2022			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 1,128,946	\$ -		\$ 1,128,946
Construction in Progress	1,574,392	9,358,878	2,762,711	8,170,559
Total Capital Assets Not Being Depreciated	2,703,338	9,358,878	2,762,711	9,299,505
Capital Assets Being Depreciated:				
Site Improvements	13,087,603	1,153,492	-	14,241,095
Buildings and Building Improvements	70,385,898	725,517	-	71,111,415
Subscription Based IT Assets	-	7,529,160	-	7,529,160
Lease Assets (Right to Use)	2,128,831	-	-	2,128,831
Furniture and Equipment	49,410,617	4,786,614	884,088	53,313,143
Computer Software	3,147,502	2,936,829	-	6,084,331
Total Capital Assets Being Depreciated	138,160,451	17,131,612	884,088	154,407,975
Less Accumulated Depreciation for:				
Site Improvements	5,509,704	844,962	-	6,354,666
Buildings and Building Improvements	36,747,381	3,741,679	-	40,489,060
Furniture and Equipment	37,003,139	4,797,323	741,427	41,059,035
Subscription Based IT Assets		627,430		627,430
Lease Assets (Right to Use)	317,506	349,839	-	667,345
Computer Software	-	1,014,055	-	1,014,055
Total Accumulated Depreciation	79,577,730	11,375,288	741,427	90,211,591
Net Capital Assets	61,286,059	<u>\$ 15,115,202</u>	<u>\$ 2,905,372</u>	73,495,889
Less Outstanding Debt Related to Capital Assets, Including Premium	(52,636,223)			(60,595,849)
Plus Capital Projects Funds Borrowed But Not Spent	<u>20,864,691</u>			<u>20,796,072</u>
Net Investment in Capital Assets	<u>\$ 29,514,527</u>			<u>\$ 33,696,112</u>

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 5 LONG-TERM OBLIGATIONS**

Long-term liability activity for the years ended June 30, 2023 and 2022, was as follows:

	Balance 7/1/22	Additions	Reductions	Balance 06/30/23	Amounts Due Within One Year
General Obligation Notes	\$ 49,500,000	\$ 12,000,000	\$ 12,590,000	\$ 48,910,000	\$ 14,530,000
Premium on General Obligation Notes	2,292,253	300,505	346,840	2,245,918	-
Subscriptions Payable	7,324,067	239,763	589,145	6,974,685	627,004
Lease Liability - Right to Use	1,479,529	-	367,427	1,112,102	226,658
<b>Total</b>	<b>\$ 60,595,849</b>	<b>\$ 12,540,268</b>	<b>\$ 13,893,412</b>	<b>\$ 59,242,705</b>	<b>\$ 15,383,662</b>

	Balance 7/1/21	Additions	Reductions	Balance 6/30/22	Amounts Due Within One Year
General Obligation Notes	\$ 48,750,000	\$ 11,500,000	\$ 10,750,000	\$ 49,500,000	\$ 12,590,000
Premium on General Obligation Notes	2,070,032	517,328	295,107	2,292,253	-
Subscriptions Payable		7,529,160	205,093	7,324,067	508,355
Lease Liability - Right to Use	1,811,325	-	331,796	1,479,529	341,296
Compensated Absences	4,866	-	4,866	-	-
<b>Total</b>	<b>\$ 52,636,223</b>	<b>\$ 19,546,488</b>	<b>\$ 11,586,862</b>	<b>\$ 60,595,849</b>	<b>\$ 13,439,651</b>

**General Obligation Debt**

All general obligation debt is secured by the full faith and credit and unlimited taxing powers of the District. General obligation debt at June 30, 2023 and 2022, is comprised of the following individual issues:

	2023	2022
June 11, 2013 General Obligation Promissory Note (1)	\$ -	\$ 1,525,000
May 2, 2016 General Obligation Promissory Note (2)	3,170,000	4,155,000
June 15, 2016 General Obligation Promissory Note (3)	455,000	595,000
June 30, 2016 General Obligation Promissory Note (4)	320,000	480,000
June 1, 2017 General Obligation Promissory Note (5)	3,835,000	4,725,000
June 1, 2018 General Obligation Promissory Note (6)	5,855,000	6,890,000
May 28, 2019 General Obligation Promissory Note (7)	5,860,000	6,705,000
June 25, 2020 General Obligation Promissory Note (8)	4,270,000	4,790,000
March 26, 2021 General Obligation Promissory Note (9)	1,245,000	1,375,000
June 1, 2021 General Obligation Promissory Note (10)	6,125,000	6,760,000
May 24, 2022 General Obligation Promissory Note (11)	5,775,000	11,500,000
June 1, 2023 General Obligation Promissory Note (12)	12,000,000	-
<b>Total General Obligation Debt</b>	<b>\$ 48,910,000</b>	<b>\$ 49,500,000</b>

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**General Obligation Debt (Continued)**

- (1) Promissory note issued by Piper Jaffray & Co., to remodel buildings and to acquire and replace equipment, with interest at 2% to 3%. Principal due annually on September 1, beginning September 1, 2014, with final maturity September 1, 2022.
- (2) Promissory note issued by Hutchinson, Shockey, Erley & Co. for the construction of an addition to the Student Life Center of the Wausau Campus, construction of a tactical safety range and multi-media classroom on the Merrill Campus, remodeling and improvement projects, building and site maintenance and repairs, site improvements, and equipment acquisition, installation and related costs, with interest at 2%. Principal due annually on March 1, beginning with March 1, 2017, with final maturity March 1, 2026.
- (3) Promissory note issued by Raymond James & Associates, Inc. for remodeling and improvement projects and equipment acquisition, installation and related costs, with interest at 2%. Principal due annually on March 1, beginning with March 1, 2017, with final maturity March 1, 2026.
- (4) Promissory note issued by Hutchinson, Shockey, Erley & Co. for remodeling and improvement projects and equipment acquisition, installation and related costs, with interest at 2%. Principal due annually on March 1, beginning March 1, 2017, with final maturity March 1, 2026.
- (5) Promissory note issued by FTN Financial Capital Markets, for purchase of the diesel building and construction of the building additions at the Agricultural Center of Excellence, construction of a building addition on the Merrill Campus, remodeling and improvement projects, building and site maintenance and repairs, site improvements, and equipment acquisition, installation, and related costs, with interest at 2% to 3%. Principal due annually on March 1, beginning with March 1, 2018, with final maturity March 1, 2027.
- (6) Promissory note issued by Citigroup Global Markets, Inc., for the construction of building additions on the Merrill Campus, remodeling and improvement projects, building and site maintenance and repair, equipment acquisition, installation and related costs, with interest at 3% to 4%. Principal due annually on March 1, beginning with March 1, 2019, with final maturity March 1, 2028.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**General Obligation Debt (Continued)**

- (7) Promissory note issued by Hutchinson, Shockey, Erley & Co. for the construction of building additions on the Wausau Campus, remodeling and improvement projects, building and site maintenance and repair, site improvements, equipment acquisition, installation and related costs, with interest at 0.5% to 5.0%. Principal due annually on March 1, beginning with March 1, 2020, with final maturity March 1, 2029.
- (8) Promissory note issued by KeyBanc Capital Markets, for the construction of new building space on the Wausau Campus, remodeling and improvement projects, building and site maintenance and repair, site improvements, equipment acquisition, installation and related costs, with interest at 2.0% to 3.0%. Principal due annually on March 1, beginning with March 1, 2021, with final maturity March 1, 2030.
- (9) Promissory note issued by Colliers Securities, LLC, for capital purposes, with interest at 2.0% to 3.0%. Principal due annually on March 1, beginning with March 1, 2022, with final maturity March 1, 2031.
- (10) Promissory note issued by FHN Financial Capital Markets, for capital purposes, with interest at 2.0% to 3.0%. Principal due annually on March 1, beginning with September 1, 2021 and then March 1, 2022, and March 1, thereafter, with final maturity March 1, 2031.
- (11) Promissory note issued by Raymond James & Associate, Inc. for capital purposes, with interest at 3.125% to 5.0%. Principal due annually on March 1, beginning with September 1, 2022 and then March 1, 2023, and March 1, thereafter, with final maturity March 1, 2032.
- (12) Promissory note issued by J.P. Morgan Securities, LLC for capital purposes, with interest at 5.0%. Principal due annually on March 1, beginning with September 1, 2023 and then March 1, 2024, and March 1, thereafter, with final maturity March 1, 2027.

The District has the power to incur indebtedness for certain purposes specified by Section 67.03(1)(a), Wisconsin statutes in an aggregate amount, not exceeding 5% of the equalized value of the taxable property within the District, as last determined by the Wisconsin Department of Revenue. The 5% limit for the year ended June 30, 2023, was \$1,123,016,209 and the District's outstanding general obligation debt of \$48,910,000, net of resources available of \$5,813,813 to pay principal, was \$43,096,187. The 5% limit for the year ended June 30, 2022, \$997,658,446 and the District's outstanding general obligation debt of \$49,500,000, net of resources available of \$5,715,273 to pay principal, was \$43,784,727.

Wisconsin statutes 67.03(9) provides that the amount of bonded indebtedness for the purpose of purchasing school sites and the construction and equipping of school buildings may not exceed 2% of the equalized valuation of the taxable property, including tax incremental districts, in the District. This limit was \$449,206,484 and \$399,063,378 at June 30, 2023 and 2022, respectively. The District had no outstanding bonded indebtedness as of June 30, 2023 and 2022.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**General Obligation Debt (Continued)**

Aggregate cash flow requirements for the retirement of long-term principal and interest on general obligation debt as of June 30, 2023, follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 14,530,000	\$ 1,486,900	\$ 16,016,900
2025	7,365,000	1,067,050	8,432,050
2026	7,670,000	813,550	8,483,550
2027	6,555,000	560,081	7,115,081
2028	4,505,000	341,731	4,846,731
2029 - 2033	8,285,000	436,213	8,721,213
Total	<u>\$ 48,910,000</u>	<u>\$ 4,705,525</u>	<u>\$ 53,615,525</u>

**Subscription-Based Information Technology Arrangements**

The District has entered into subscription-based information technology arrangements (SBITDAs). The SBITAs expire at various dates through 2034 and provide for renewal options. As of June 30, 2023, SBITA assets and the related accumulated amortization totaled \$7,790,082 and \$1,305,797, respectively. As of June 30, 2022, SBITA assets and the related accumulated amortization totaled \$7,529,160 and \$627,430, respectively. The future subscription payments under SBITA agreements are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 627,004	\$ 127,580	\$ 754,584
2025	631,193	114,247	745,440
2026	566,308	101,896	668,204
2027	577,738	90,466	668,204
2028	589,399	78,805	668,204
2029-2033	3,163,196	214,688	3,377,884
2034-2038	819,847	-	819,847
Total	<u>\$ 6,974,685</u>	<u>\$ 727,682</u>	<u>\$ 7,702,367</u>

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 6 LEASES, AS LESSEE**

Government Accounting Standards Board (GASB) Statement No. 87 – Leases requires the District to record a lease liability and right-to-use asset as a lessee. The District leases building space and equipment for various terms under long-term noncancelable lease arrangements and is required to make various monthly principal and interest payments. The District used the incremental borrowing rate as the interest rate for the right-to-use asset agreements if an interest rate was not provided in the lease agreement. The District reported leased assets in major classes as follows:

	<u>2023</u>	<u>2022</u>
Leased Asset - Buildings	\$ 1,582,527	\$ 1,582,527
Lease Asset - Equipment	<u>546,304</u>	<u>546,304</u>
Total	<u><u>2,128,831</u></u>	<u><u>2,128,831</u></u>

Total principal and interest costs for such leases were \$367,427 and \$356,506 for the fiscal years ended June 30, 2023 and 2022. The future minimum lease payments for these agreements are as follows:

Right to Use Asset Payments <u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 200,527	\$ 20,366	\$ 220,893
2025	177,063	16,820	193,883
2026	160,333	13,446	173,779
2027	164,071	10,224	174,295
2028	170,025	6,884	176,909
2029 - 2033	<u>240,083</u>	<u>3,798</u>	<u>243,881</u>
Total	<u><u>\$ 1,112,102</u></u>	<u><u>\$ 71,538</u></u>	<u><u>\$ 1,183,640</u></u>



**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 7 EMPLOYEE RETIREMENT PLANS – WISCONSIN RETIREMENT SYSTEM (WRS)**

**Plan Description**

The Wisconsin Retirement System (WRS) is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible state of Wisconsin, local government, and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011 and expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issued a standalone WRS Financial Report, which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

**Vesting**

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

**Benefits Provided**

Employees who retire at or after age 65 (54 for protective occupation employees and 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.

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

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

The WRS also provides death and disability benefits for employees.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 7 EMPLOYEE RETIREMENT PLANS – WISCONSIN RETIREMENT SYSTEM (WRS)  
(CONTINUED)**

**Postretirement Adjustments**

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

<u>Year</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	-	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0

**Contributions**

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

During the reporting period, the WRS recognized \$1,938,108 in contributions from the employer.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 7 EMPLOYEE RETIREMENT PLANS – WISCONSIN RETIREMENT SYSTEM (WRS)  
(CONTINUED)**

**Contributions (Continued)**

The District only has employees in the general category which had the following contribution rates as of June 30, 2023 and 2022:

Employee Category	2023		2022	
	Employee	Employer	Employee	Employer
General (Including Teachers, Executives, and Elected Officials	6.80%	6.80%	6.75%	6.75%

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

At June 30, 2023 and 2022, the District reported a liability (asset) of \$8,641,427 and \$(13,204,201), respectively, for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of the calendar year that falls within the District's fiscal year and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation one year prior to that date rolled forward to the measurement date. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability (asset) was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2022 and 2021, the District's proportion was 0.16311647% and 0.16382010%, which was a decrease of 0.00070363% and a decrease of 0.00372614% from its proportion measured in the respective prior year.

For the years ended June 30, 2023 and 2022, the District recognized pension expense of \$(4,396,679) and \$(1,148,532), respectively.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 7 EMPLOYEE RETIREMENT PLANS – WISCONSIN RETIREMENT SYSTEM (WRS)  
(CONTINUED)**

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

At June 30, 2023 and 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2023		2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 13,763,114	\$ 18,081,644	\$ 21,330,719	\$ 1,538,175
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	14,679,790	-	-	29,538,895
Changes in Assumptions	1,699,262	-	2,463,451	-
Changes in Proportion and Difference Between Employer Contributions and Proportionate Share of Contributions	51,777	19,694	22,433	35,976
Employer Contributions Subsequent to the Measurement Date	1,030,381	-	965,609	-
Total	<u>\$ 31,224,324</u>	<u>\$ 18,101,338</u>	<u>\$ 24,782,212</u>	<u>\$ 31,113,046</u>

The \$1,030,381 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Increase (Decrease) in Pension Expense</u>
2024	\$ 501,784
2025	2,506,849
2026	2,575,121
2027	6,508,851

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 7 EMPLOYEE RETIREMENT PLANS – WISCONSIN RETIREMENT SYSTEM (WRS)  
(CONTINUED)**

**Actuarial Assumptions**

The total pension liability in the actuarial valuations used for the years ended June 30, 2023 and 2022, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>2023</u>	<u>2022</u>
Actuarial Valuation Date	December 31, 2021	December 31, 2020
Measurement Date of Net Pension Liability (Asset)	December 31, 2022	December 31, 2021
Actuarial Cost Method	Entry Age	Entry Age
Asset Valuation Method	Fair Value	Fair Value
Long-Term Expected Rate of Return	6.8 %	6.8 %
Discount Rate	6.8 %	6.8 %
Salary Increases:		
Inflation	3.0%	3.0 %
Seniority/Merit	0.1 % to 5.6 %	0.1 % to 5.6 %
Mortality	Wisconsin 2020 Mortality Table	Wisconsin 2020 Mortality Table
Postretirement Adjustments*	1.7 %	1.7 %

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

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 7 EMPLOYEE RETIREMENT PLANS – WISCONSIN RETIREMENT SYSTEM (WRS)  
(CONTINUED)**

**Actuarial Assumptions (Continued)**

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

Asset Allocation Targets and Expected Returns	As of December 31, 2021		
	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Core Fund:			
Global Equities	52.0 %	6.8 %	4.2 %
Fixed Income	25.0 %	4.3 %	1.8 %
Inflation Sensitive Assets	19.0 %	2.7 %	0.2 %
Real Estate	7.0 %	5.6 %	3.0 %
Private Equity/Debt	12.0 %	9.7 %	7.0 %
Total Core Fund	<u>115.0 %</u>	<u>6.6 %</u>	<u>4.1 %</u>
Variable Fund:			
U.S. Equities	70.0 %	6.3 %	3.7 %
International Equities	30.0 %	7.2 %	4.6 %
Total Variable Fund	<u>100.0 %</u>	<u>6.8 %</u>	<u>4.2 %</u>

*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.*

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 7 EMPLOYEE RETIREMENT PLANS – WISCONSIN RETIREMENT SYSTEM (WRS)  
(CONTINUED)**

**Actuarial Assumptions (Continued)**

Asset Allocation Targets and Expected Returns	As of December 31, 2022		
	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Core Fund:			
Global Equities	48.0 %	7.6 %	5.0 %
Fixed Income	25.0 %	5.3 %	2.7 %
Inflation Sensitive Assets	19.0 %	3.6 %	1.1 %
Real Estate	8.0 %	5.2 %	2.6 %
Private Equity/Debt	15.0 %	9.6 %	6.9 %
Total Core Fund	115.0 %	7.4 %	4.8 %
Variable Fund:			
U.S. Equities	70.0 %	7.2 %	4.6 %
International Equities	30.0 %	8.1 %	5.5 %
Total Variable Fund	100.0 %	7.7 %	5.1 %

*New England Pension Consultants Long-Term US CPI (Inflation) Forecast: 4.1%*

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

**Single Discount Rate:** A single discount rate of 6.80% was used to measure the total pension liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 4.05%. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.80% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 7 EMPLOYEE RETIREMENT PLANS – WISCONSIN RETIREMENT SYSTEM (WRS)  
(CONTINUED)**

**Actuarial Assumptions (Continued)**

*Sensitivity of the District's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate:* The following presents the District's proportionate share of the net pension liability (asset) calculated using the current discount rate, 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 or 1-percentage-point higher than the current rate:

	2023		2022	
	<u>Discount Rate</u>	<u>Net Pension Liability (Asset)</u>	<u>Discount Rate</u>	<u>Net Pension Liability (Asset)</u>
1% Decrease to the Rate	5.8%	\$ 28,680,615	5.8%	\$ 9,369,317
Current Discount Rate	6.8%	8,641,427	6.8%	(13,204,201)
1% Increase to the Rate	7.8%	(5,143,815)	7.8%	(29,452,934)

**Pension Plan Fiduciary Net Position**

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

**Payables to the Pension Plan**

At June 30, 2023 and 2022, the District reported a payable of \$- and \$432,386 for the outstanding amount of contributions to the pension plan, respectively.

**NOTE 8 OTHER POSTEMPLOYMENT BENEFITS**

**Plan Description**

The District administers a single-employer defined benefit health care plan. The plan provides medical insurance benefits to eligible retirees and their spouses through the District's group medical insurance plan, which covers both active and retired members. Benefit provisions are established through collective bargaining agreements. The eligibility requirements are based on the retiree's position, years of service, and age at retirement. No assets are accumulated in an irrevocable trust and, therefore, there is no standalone report for the plan.



**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Benefits Provided**

Benefits provided to retirees are as follows:

Faculty and management retiring prior to July 1, 2012, with at least eight years of service and either hired prior to July 1, 2007 and reaching age 57 or hired on or after July 1, 2007, and at least age 59 are covered until eligible for Medicare benefits or until covered under a new employer's medical program, whichever comes first. Also included are employees that provided notice by December 31, 2011, of their retirement by June 30, 2015. The maximum monthly premium paid by the District during the covered period includes both the single and family premiums and based upon years of service will range from 60% to 100% of the premium for active employees.

Support staff retiring prior to July 1, 2012, with at least 20 years of service, reaching age 59, and eligible for a benefit under WRS are covered until eligible for Medicare benefits. Also included are employees that provided notice by December 31, 2011, of their retirement by June 30, 2015. The District will make contributions toward a retiree's single medical premium determined by a break-even calculation made at the time of retirement, which will remain frozen at the calculated amount for the duration of benefit eligibility. Retirees electing family coverage will be responsible for the difference between the single and family premium amounts.

Paraprofessional and technical employees retiring prior to July 1, 2012, with at least 15 years of service, reaching age 57, and eligible for a benefit under WRS are covered until eligible for Medicare benefits. Also included are employees that provided notice by December 31, 2011, of their retirement by June 30, 2015. The maximum monthly premium paid by the District during the covered period will be 75% to 100% of the single premium determined based upon years of service with an annual maximum of \$7,848. Retirees electing family coverage will be responsible for the difference between the single and family premium amounts.

Employees hired prior to July 1, 2012, and retiring on or after July 1, 2012, who are at least 62 years old with at least 20 years of service are covered until eligible for Medicare benefits. The District will make medical insurance premium contributions (single or family for faculty and middle leader and single for other retirees) as are made for active employees. Retirees subject to the single premium contribution electing family coverage will be responsible for the difference between the single and family premium amounts.

For eligible retiring full-time employees hired prior to July 1, 2012, with at least 20 years of NTC or WRS service and retiring before age 65, the District will continue 100% premium contributions for the retiree's life insurance benefit payout value at a rate of 37.5%, reduced annually at retiree's birthday, until such time that the life insurance benefit payout value will be frozen at 12.5%.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Benefits Provided (Continued)**

For eligible retiring full-time employees hired prior to July 1, 2012, with at least 20 years of NTC or WRS service and retiring at age 65 or later, the District will continue 100% premium contributions for the retiree's life insurance benefit payout value at a rate of 37.5% for the retiree's 65th year, reduced to 25% for the retiree's 66th year, and a frozen rate of 12.5% for the retiree's 67th year and thereafter.

For eligible retiring part-time employees hired prior to July 1, 2012, with at least 20 years of NTC or WRS service and retiring before age 65, the District will continue 100% premium contributions for the retiree's life insurance benefit payout value at a rate of 75%, reduced annually at retiree's birthday, until such time that the life insurance benefit payout value will be frozen at 25%.

For eligible retiring part-time employees hired prior to July 1, 2012, with at least 20 years of NTC or WRS service and retiring at age 65 or later, the District will continue 100% premium contributions for the retiree's life insurance benefit payout value at a rate of 75% for the retiree's 65th year, reduced to 50% for the retiree's 66th year, and a frozen rate of 25% for the retiree's 67th year and thereafter.

For all eligible retiring employees continuing to participate in the District's group medical plan, the District will annually contribute to a health savings account until Medicare eligibility, \$1,000 if single coverage and \$2,000 if family coverage.

For eligible retiring full-time employees hired prior to July 1, 2012, retiring between age 65 and 70, the District will continue contributions towards the retiree's life insurance premiums at a rate of 37.50% until the age of 66, 25% until the age of 67, and 12.5% thereafter.

**Employees Covered by the Benefit Terms**

At June 30, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Employees Currently Receiving Benefit Payments	21
Inactive Employees Entitled to, But Not Receiving, Benefit Payments	193
Active Employees	<u>364</u>
Total	578

**Total OPEB Liability**

The District's total OPEB liability at June 30, 2023, was \$3,607,259, was measured as of June 30, 2022, and was determined by an actuarial valuation as of that date. The District's total OPEB liability at June 30, 2022 was \$4,516,688, was measured as of June 30, 2021, and was determined by an update to the actuarial valuation from the previous year.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Actuarial Assumptions**

The total OPEB liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry Age Normal
Discount rate	4.00 %
Healthcare cost trend rate	6.50% decreasing by 0.10% per year down to 5.0%, and level thereafter

The total OPEB liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry Age Normal
Discount rate	2.25 %
Healthcare cost trend rate	6.50% decreasing by 0.10% per year down to 5.0%, and level thereafter

The discount rate for the actuarial valuation is based on the Bond Buyer Go 20-Year AA Bond Index published by the Federal Reserve as of the week of the measurement date. For the June 30, 2022, actuarial valuation mortality rates are based upon the Wisconsin Retirement System (WRS) 2018 Mortality Table. The mortality table and other significant assumptions are based on the WRS's actuarial experience study from 2015-2017.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Changes in Total OPEB Liability**

OPEB liability activity for the years ended June 30, 2023 and 2022, were as follows:

Balance - July 1, 2021	\$ 5,540,389
Service Cost	114,215
Interest	121,987
Changes of Benefit Terms	4,660
Differences Between Expected and Actual Experience	(993,054)
Changes of Assumptions or Other Input	80,202
Benefit Payments	<u>(351,711)</u>
Balance - June 30, 2022	4,516,688
Service Cost	87,451
Interest	99,225
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	(171,213)
Changes of Assumptions or Other Input	(624,071)
Benefit Payments	<u>(300,821)</u>
Balance - June 30, 2023	<u><u>\$ 3,607,259</u></u>

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

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

	2023		2022	
	Discount Rate	Total OPEB Liability	Discount Rate	Total OPEB Liability
1% Decrease to the Rate	3.00%	\$ 3,946,404	1.25%	\$ 4,124,221
Current Discount Rate	4.00%	\$ 3,607,259	2.25%	\$ 4,516,688
1% Increase to the Rate	5.00%	\$ 3,309,504	3.25%	\$ 4,972,015

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Sensitivity of the District's Total OPEB Liability to Changes in the Healthcare Cost Trend Rate**

The following presents the District's total OPEB liability calculated using the healthcare cost trend rate of 7.5% decreasing to 5.0%, as well as what the District's total OPEB liability would be if it were calculated using the healthcare cost trend rate that is 1-percentage-point lower (6.5% in year 1, then 5.5% decreasing to 4.0%) or 1-percentage-point higher (8.5% in year 1, then 7.5% decreasing to 6.0%) than the current rate:

		2023		2022	
	Healthcare Cost Trend Rate	Total OPEB Liability		Healthcare Cost Trend Rate	Total OPEB Liability
1% Decrease to the Rate	5.5% decreasing to 4%	\$ 3,431,355		5.5% decreasing to 4%	\$ 4,326,527
Current Discount Rate	6.5% decreasing to 5%	\$ 3,607,259		6.5% decreasing to 5%	\$ 4,516,688
1% Increase to the Rate	7.5% decreasing to 6%	\$ 3,811,334		7.5% decreasing to 6%	\$ 4,738,335

**OPEB Expense and Deferred Outflow of Resources**

For the years ended June 30, 2023 and 2022, the District recognized OPEB expense of \$(19,906) and \$233,106, respectively. At June 30, 2023 and 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		2023		2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 16,277	\$ 624,936		\$ 70,331	\$ 744,790
Changes in Assumptions or Other Inputs	171,628	580,811		447,792	202,473
Employer Contributions Subsequent to the Measurement Date	228,673	-		300,821	-
Total	<u>\$ 416,578</u>	<u>\$ 1,205,747</u>		<u>\$ 818,944</u>	<u>\$ 947,263</u>

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**OPEB Expense and Deferred Outflow of Resources (Continued)**

The \$228,673 reported as deferred outflows of resources related to OPEB resulting from the District's contributions subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

<u>Year Ending December 30.</u>	Net Increase (Decrease) in <u>OPEB Expense</u>
2023	\$ (368,941)
2024	(450,080)
2025	(198,821)
2026	-
2027	-

**NOTE 9 RISK MANAGEMENT**

**Districts Mutual Insurance Company (DMI)**

In July 2004, all 16 WTCS technical colleges created the 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 \$500,000,000 per occurrence; equipment at \$100,000,000 per occurrence; general liability, auto, and educators legal liability at \$5,000,000 per occurrence; and workers' compensation at the statutorily required limits.

At this time, settled claims have not approached the coverage limits as identified above. The District's exposure in its layer of insurance is limited to \$2,500 to \$100,000 per occurrence depending on the type of coverage and DMI purchases reinsurance for losses in excess of its retained layer of coverage.

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

Each member college was assessed an annual premium that included a capitalization component to establish reserves for the company. Since DMI is fully capitalized, member districts have not been assessed a capitalization amount for fiscal years 2023 and 2022. For the years ended June 30, 2023 and 2022, the District paid premiums of \$- and \$435,526, respectively. Future premiums will be based on relevant rating exposure bases as well as the historical loss experienced by members. DMI's ongoing operational expenses, other than loss adjustment expenses, are apportioned pro rata to each participant based on equity interest in the company.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 9 RISK MANAGEMENT (CONTINUED)**

**Districts Mutual Insurance Company (DMI) (Continued)**

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

**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. Member entities include all 16 Wisconsin Technical College System districts.

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

Crime - \$750,000 coverage for employee dishonesty, forgery, computer fraud, and funds transfer fraud; \$750,000 coverage for theft, robbery, burglary, disappearance and destruction of money and securities; \$25,000 coverage for investigation expenses; \$100,000 coverage for impersonation fraud with a \$25,000 deductible; and \$10,000 deductible for employee dishonesty, forgery, and fraud.

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

The scope of settled claims has not exceeded the coverage limits in any of the past three fiscal years. There was no significant reduction in the District's insurance coverage in fiscal year 2023.

**Public Risk Entity Pool**

As of January 1, 2019, the District joined the Wisconsin Technical College Employee Benefits Consortium (WTCEBC). WTCEBC is a public entity risk pool that the District 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 District. 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. Each college maintains an individual reserve with WTCEBC. In the event a college were to leave the consortium, their reserve would be used to pay their remaining claims, and the balance would be refunded to the college. The District reports an asset in the amount of \$-0- and \$198,129 as of June 30, 2023 and 2022, respectively. The District exited the WTCEBC as of January 1, 2022. As a result, the District received a return of funds of \$2,600,000. The Districts also reports a claims liability in accordance with Governmental Accounting Standards Board Statement No. 10.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 9 RISK MANAGEMENT (CONTINUED)**

**Public Risk Entity Pool (Continued)**

Changes in the claims liability reported in accrued liabilities for the years ended June 30 was as follows:

	2023	2022
Unpaid claims at beginning of year	\$ -	\$ 501,000
Incurred claims and claim adjustments for current year	-	2,183,699
Total incurred claims	-	2,684,699
Claims paid during the year	-	2,684,699
Total unpaid claims and claims adjustment at end of year	\$ -	\$ -

WTCEBC operations are governed by a board of directors. The board of directors is comprised of one representative from each of the member colleges that participate in the consortium. The Consortium uses a third party to administer its operations, including all of the accounting functions.

**Self-funded Health Insurance**

As of January 1, 2022, the District exited the WTCEBC and the District has retained the risk of loss for its healthcare program. As part of the healthcare coverage, the District purchases stop-loss coverage which pays claims in excess of \$190,000 per individual. The District establishes claim liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and of claims that have been incurred but not reported. As of June 30, 2023, the amount of these liabilities were \$631,001. The follow represents changes in the liability for the current year:

	2023	2022
Unpaid claims at beginning of year	\$ 627,000	\$ -
Incurred claims and claim adjustments for current year	5,225,214	3,041,515
Total incurred claims	5,852,214	3,041,515
Claims paid during the year	4,594,213	2,414,515
Total unpaid claims and claims adjustment at end of year	\$ 1,258,001	\$ 627,000



**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 10 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS**

**Construction Commitments**

The District has several active construction projects, as well as commitments to contractors and vendors to construct or purchase assets in the subsequent year, as of June 30, 2023. The construction projects in progress are: Paving - Merrill CDL Driving Course, engineering for the Antigo Sawmill Addition, the Workday ERP, as well as some smaller remodeling projects. Also, orders were placed for computers, laptops, other IT Equipment, and instructional equipment. These orders were initially placed prior to June 30, 2023, due to delivery and installation lead time requirements.

Future commitments include the Health 4.0 Renovation in the CHS Building, CHS HVAC Upgrades including the purchase of new fan wall equipment, the Antigo Campus Sawmill Addition, and the Meat Processing remodel, plus various maintenance & remodeling projects at the Wausau and regional campuses. Additional IT equipment and services, as well as instructional equipment is included. At year-end, the District's commitments with contractors and vendors, including change orders through the date of this report, are as follows:

Project	Spent Through June 30, 2023	Remaining Commitment
Paving - Merrill CDL Driving Course	\$ 450,000	\$ 105,858
Kenworth 680 Class A Semi Tractor	5,000	167,225
Meat Talent/Pasture to Plate - Program Start-up Equipment	84,966	47,273
Sawmill - Antigo - Cleereman Hardwood Training Sawmill	903,738	2,108,722
Sawmill Addition - Antigo - Engineering	31,810	116,943
Workday ERP	6,646,125	987,452
CHS - Center for Health Sciences Fanwall Equipment	70,851	70,851
CHS - Center for Health Sciences - HVAC Upgrades	400,957	100,020
CJS - Center for Health Sciences - Health 4.0 Renovation	133,418	974,461
Health 4.0 Instructional Equipment - SynDaver Labs G2		
Synthetic Human	104,016	-
Health 4.0 Instructional Equipment - Learning Space Enterprise Solution	289,275	-
Health 4.0 Instructional Equipment - Immersive Interactive Simulation Room	103,495	-
Health 4.0 IT Equipment	60,700	-
Industry 4.0 Instructional Equipment - Workbenches & Manufacturing Cell	269,400	55,928
A241 Counseling Lab Renovation - NTC Connect Equipment	74,081	5,850
Feed Storage Building/Canopy	96,376	12,561
WTPD Staff Offices	211,721	-
Dell Precision 5770 Laptops (Qty. 49)	-	106,526
User Experience Web Design/Development Consulting Services	-	107,000
Cisco XDR & AMP, 3-year paid annually	-	324,070
Health 4.0 Instructional Equipment - Surgical Tables & Lights	-	80,920
Featherlite 4941 45' Enclosed Trailer - Health Mobile Learning Lab	-	314,620
Used 2024 Freightliner Bucket Truck	-	262,046
Meat Processing Remodel	-	328,800
Sawmill Addition - Antigo	-	1,786,000
	9,935,929	8,063,126

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 10 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS (CONTINUED)**

None of these commitments were recorded as encumbrances at year-end. The District has a non-cancellable telecommunication service agreement for network services. Payments are calculated monthly, billed annually, and the final contract's term is scheduled to end in August, 2024. Total expenses for the year ended June 30, 2023, were \$53,693. As of June 30, 2023, the District was committed to make payments of \$63,375.

Multiple Contracts were signed with Workday creating future commitments through 4/29/2031. Total expenses for the year ended June 30, 2023 were \$1,300,039. As of June 30, 2023, the District was committed to make additional payments of \$4,665,517.

A contract was signed with Collaborative Solutions 6/29/2022 for \$5,643,438 for Workday Student Deployment Services for the period of July 1, 2022 through October 4, 2024. NTC is invoiced monthly on a time and material basis for actual hours utilized. Total expenses for the year ended June 30, 2023 were \$2,092,064. As of June 30, 2023, the District was committed to make additional payments of \$3,551,374.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 11 JOINT VENTURES**

The District implemented a computerized library database through a joint venture by joining the Wisconsin Public Access Library System (WISPALS). WISPALS is governed by the college presidents and librarians with each member college having an equal vote. As of July 1, 2013, there were 11 full members. 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 Waukesha County Technical College's Pewaukee campus. Operating costs of WISPALS are also shared equally by the member colleges. The following is a summary of financial information for WISPALS as of June 30:

	2023		2022	
	Total WISPALS	NTC's Share	Total WISPALS	NTC's Share
Total Assets	\$ 69,642	\$ 6,331	\$ 81,009	\$ 7,364
Total Liabilities	-	-	42,264	3,842
Ending Fund Balance	69,642	6,331	38,745	3,522
Total Revenues	653,611	59,419	513,473	46,679
Total Expenses	622,715	56,610	623,723	56,702

**NOTE 12 CONTINGENT LIABILITIES**

On August 31, 2011, the Dairyland State Academy, Inc., transferred title of all property owned by the Academy to the College. This property was purchased using funds from various donors, including an initial \$1,000,000 capital contribution from Marathon County. In the event the property is no longer being used for its intended use as an agriculture farm/learning laboratory, the property shall be liquidated and the proceeds distributed in accordance with an agreement with Marathon County.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 13 EXPENSE CLASSIFICATION**

Operating expenses by natural classification were as follows for the years ended June 30:

	2023	2022
Salaries and Wages	\$ 31,900,960	\$ 31,504,593
Employee Benefits	11,413,816	4,839,427
Travel, Memberships, and Subscriptions	823,685	653,149
Supplies and Minor Equipment	5,939,824	3,260,264
Postage, Printing, and Advertising	828,052	711,790
Repairs and Maintenance	836,270	626,290
Contracted Services	5,504,772	4,511,081
Rentals	326,027	339,133
Insurance	454,165	459,694
Utilities	1,162,243	1,049,712
Depreciation and amortization	11,492,389	11,375,288
Other	108,013	234,197
Student Aid	2,668,655	7,227,917
Total Operating Expenses	<u>\$ 73,458,871</u>	<u>\$ 66,792,535</u>

**NOTE 14 RESTATEMENT**

The District implemented GASB Statement No.96, *Subscription-Based Information Technology Arrangements* as of the year ended June 30, 2023. The District has applied the provisions retroactively by restating the fiscal year ended June 30, 2022. Retroactive application did not have an impact on the beginning net position reported for the fiscal year ended June 30, 2022. The beginning net position for the fiscal year ended June 30, 2023 has been restated as follows:

Ending Net Position as of June 30, 2022, as previously reported	\$ 72,989,851
SBITDA Asset	7,529,160
SBITDA Accumulated Amortization	(627,430)
SBITDA liability	<u>(7,324,067)</u>
Ending Net Position as of June 30, 2022, as restated	<u>72,567,514</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
SCHEDULES OF CHANGES IN THE EMPLOYER'S TOTAL OTHER POSTEMPLOYMENT  
BENEFIT (OPEB) LIABILITY AND RELATED RATIOS – DISTRICT OPEB PLAN  
LAST TEN FISCAL YEARS (WHEN AVAILABLE)\*  
(SEE INDEPENDENT AUDITORS' REPORT)**

	2023	2022	2021	2020	2019	2018	2017	2016
Measurement Date	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Total OPEB Liability								
Service Cost	87,451	114,215	\$ 91,415	\$ 165,679	\$ 175,183	\$ 151,134	\$ 124,538	\$ 124,538
Interest	99,225	121,987	173,018	190,022	192,089	189,566	234,496	244,389
Changes of Benefit Terms	-	4,660	-	(454,191)	-	-	-	-
Differences Between Expected and Actual Experience	(171,213)	(993,054)	-	151,099	-	113,957	-	-
Changes in Assumptions or Other Input	(624,071)	80,202	526,109	220,178	(161,310)	(466,694)	486,813	-
Benefit Payments	<u>(300,821)</u>	<u>(351,711)</u>	<u>(295,646)</u>	<u>(423,399)</u>	<u>(821,054)</u>	<u>(840,132)</u>	<u>(746,871)</u>	<u>(518,596)</u>
Net Change in Total OPEB Liability	(909,429)	(1,023,701)	494,896	(150,612)	(615,092)	(852,169)	98,976	(149,669)
Total OPEB Liability - Beginning	<u>4,516,688</u>	<u>5,540,389</u>	<u>5,045,493</u>	<u>5,196,105</u>	<u>5,811,197</u>	<u>6,663,366</u>	<u>6,564,390</u>	<u>6,714,059</u>
Total OPEB Liability - Ending	<u>\$ 3,607,259</u>	<u>\$ 4,516,688</u>	<u>\$ 5,540,389</u>	<u>\$ 5,045,493</u>	<u>\$ 5,196,105</u>	<u>\$ 5,811,197</u>	<u>\$ 6,663,366</u>	<u>\$ 6,564,390</u>
District's Covered Employee Payroll	\$ 24,452,193	\$ 24,452,193	\$ 24,289,304	\$ 24,289,304	\$ 24,481,301	\$ 24,482,301	\$ 16,353,932	\$ 16,353,932
Total OPEB Liability as a Percentage of Covered Employee Payroll	14.75%	18.47%	22.81%	20.77%	21.22%	23.74%	40.74%	40.14%

\* The amounts presented were determined as of a measurement date on year prior to the fiscal year. Amounts were not available for years prior to 2016 as the District first implemented GASB No. 75 in fiscal year 2016

**Notes to Schedule**

*Changes of Benefit Terms:* There were no changes in benefit terms.

*Changes in Assumptions:* There were no changes in assumptions

See accompanying Notes to Required Supplementary Information.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULES OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION**  
**LIABILITY (ASSET) AND EMPLOYER CONTRIBUTIONS – WISCONSIN RETIREMENT SYSTEM**  
**LAST TEN FISCAL YEARS (WHEN AVAILABLE)**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset)</b>									
Measurement Date	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014
District's Proportion of the Net Pension Liability (Asset)	0.16311647 %	0.16382010 %	0.16754624 %	0.17117445 %	0.17474551 %	0.17767368 %	0.17964961 %	0.18088260 %	0.18071590 %
District's Proportionate Share of the Net Pension Liability (Asset)	8,641,427	(13,204,201)	\$ (10,460,144)	\$ (5,519,445)	\$ 6,216,897	\$ (5,275,342)	\$ 1,480,742	\$ 2,939,307	\$ (4,438,877)
District's Covered Payroll During the Measurement Period	29,817,053	27,615,499	27,500,490	26,721,696	26,334,880	26,060,478	25,685,729	25,565,458	25,366,952
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of it's Covered Payroll	0.29%	(0.48)%	(0.38)%	(20.66)%	23.61%	(20.24)%	5.76%	11.50%	(17.50)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	95.72%	106.02%	105.26%	102.96%	96.45%	102.93%	99.12%	98.20%	102.74%
<b>Schedule of Employer Contributions</b>									
Contractually Required Contribution for the Fiscal Period	\$ 1,938,108	\$ 1,865,540	\$ 1,856,409	\$ 1,799,388	\$ 1,762,195	\$ 1,751,085	\$ 1,743,835	\$ 1,720,607	\$ 1,765,923
Contributions in Relation to the Contractually Required Contribution	(1,938,108)	(1,865,540)	(1,856,409)	(1,799,388)	(1,762,195)	(1,751,085)	(1,743,835)	(1,720,607)	(1,765,923)
Contribution Deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll for the Fiscal Period	30,072,866	27,615,499	\$ 27,418,235	\$ 27,057,005	\$ 26,597,880	\$ 25,942,119	\$ 26,024,846	\$ 25,678,283	\$ 25,588,765
Contributions as a Percentage of Covered Payroll	6.44%	6.76%	6.77%	6.65%	6.63%	6.75%	6.70%	6.70%	6.90%

**Notes to Schedule**

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

*Changes in Assumptions* : There were no changes in the assumptions

\* These schedules are intended to present information for the last 10 years. Additional information will be presented as it becomes available.

*See accompanying Notes to Required Supplementary Information.*

## **SUPPLEMENTARY INFORMATION**

The following supplementary information is provided to document Northcentral Technical College District's compliance with State 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 District, as described in the notes to the accompanying schedules.



**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND**  
**ACTUAL (NON-GAAP BUDGETARY BASIS) – GENERAL FUND**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive Negative
<b>REVENUES</b>						
Local Government	\$ 9,519,420	\$ 9,591,597	\$ 9,591,597	\$ -	\$ 9,591,597	\$ -
State Revenues	22,090,918	22,078,799	22,078,799	-	22,078,799	-
Federal Revenues	-	6,550	6,550	-	6,550	-
Statutory Program Fees	8,942,800	8,872,369	8,872,369	-	8,872,369	-
Material Fees	491,491	451,593	451,593	-	451,593	-
Other Student Fees	139,000	124,868	124,868	-	124,868	-
Institutional Revenues	344,000	877,377	877,377	-	877,377	-
Total Revenues	41,527,629	42,003,153	42,003,153	-	42,003,153	-
<b>EXPENDITURES</b>						
Instruction	27,460,413	24,008,102	24,008,102	-	24,008,102	-
Instructional Resources	1,069,688	1,087,668	1,087,668	-	1,087,668	-
Student Services	3,054,200	2,781,409	2,781,409	-	2,781,409	-
General Institutional	9,638,213	9,077,599	9,077,599	-	9,077,599	-
Physical Plant	4,238,115	4,194,949	4,194,949	-	4,194,949	-
Total Expenditures	45,460,629	41,149,727	41,149,727	-	41,149,727	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(3,933,000)	853,426	853,426	-	853,426	-
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	833,000	422,615	422,615	-	422,615	-
Transfers Out	-	(1,447,729)	(1,447,729)	-	(1,447,729)	-
Total Other Financing Sources (Uses)	833,000	(1,025,114)	(1,025,114)	-	(1,025,114)	-
<b>DEFICIENCY OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER EXPENDITURES</b>	<u>\$ (3,100,000)</u>	<u>\$ (171,688)</u>	(171,688)	-	(171,688)	<u>\$ -</u>
Fund Balance - Beginning of Year			19,977,658	-	19,977,658	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 19,805,970</u>	<u>\$ -</u>	<u>\$ 19,805,970</u>	
<b>FUND BALANCE</b>						
Reserved for Prepaid Items			\$ 499,947			
Reserve for Encumbrances			20,317			
Unreserved Fund Balance:						
Designated for Postemployment Benefits			3,607,259			
Designated for State Aid Fluctuations			956,375			
Designated for Subsequent Years			4,434,563			
Designated for Operations			10,287,509			
Total Fund Balance			<u>\$ 19,805,970</u>			

See accompanying Notes to Budgetary Comparison Schedules.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND**  
**ACTUAL (NON-GAAP BUDGETARY BASIS) – SPECIAL REVENUE AIDABLE FUND**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
<b>REVENUES</b>						
Local Government	\$ 900,000	\$ 900,000	\$ 900,000	\$ -	\$ 900,000	\$ -
State Revenues	1,877,726	2,239,109	2,239,109	-	2,239,109	-
Federal Revenues	2,287,727	2,627,274	2,627,274	-	2,627,274	-
Statutory Program Fees	291,200	201,671	201,671	-	201,671	-
Material Fees	42,120	29,423	29,423	-	29,423	-
Other Student Fees	412,000	546,092	546,092	-	546,092	-
Institutional Revenues	5,360,460	5,523,911	5,523,911	-	5,523,911	-
Total Revenues	11,171,233	12,067,480	12,067,480	-	12,067,480	-
<b>EXPENDITURES</b>						
Instruction	8,555,207	8,955,270	8,955,270	-	8,955,270	-
Instructional Resources	88,000	112,013	112,013	-	112,013	-
Student Services	1,667,018	1,822,023	1,822,023	-	1,822,023	-
General Institutional	766,844	749,830	749,830	-	749,830	-
Physical Plant	105,000	20,965	20,965	-	20,965	-
Total Expenditures	11,182,069	11,660,101	11,660,101	-	11,660,101	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(10,836)	407,379	407,379	-	407,379	-
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	-	106,263	106,263	-	106,263	-
Transfers Out	-	(365,590)	(365,590)	-	(365,590)	-
Total Other Financing Sources (Uses)	-	(259,327)	(259,327)	-	(259,327)	-
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER EXPENDITURES</b>	<u>\$ (10,836)</u>	<u>\$ 148,052</u>	148,052	-	148,052	<u>\$ -</u>
Fund Balance - Beginning of Year			3,267,141	-	3,267,141	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 3,415,193</u>	<u>\$ -</u>	<u>\$ 3,415,193</u>	
<b>FUND BALANCE</b>						
Reserved for Prepaid Items			200			
Unreserved Fund Balance:						
Designated for Subsequent Year			500,000			
Designated for Operations			2,914,993			
Total Fund Balance			<u>\$ 3,415,193</u>			

See accompanying Notes to Budgetary Comparison Schedules.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND**  
**ACTUAL (NON-GAAP BUDGETARY BASIS) – SPECIAL REVENUE NON-AIDABLE FUND**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
<b>REVENUES</b>						
Local Government	\$ 200,000	\$ 65,770	\$ 65,770	\$ -	\$ 65,770	\$ -
State Revenues	1,295,027	1,475,013	1,475,013	-	1,475,013	-
Federal Revenues	7,510,613	8,424,021	8,424,021	-	8,424,021	-
Other Student Fees	252,500	264,769	264,769	-	264,769	-
Institutional Revenues	56,560	49,738	49,738	-	49,738	-
Total Revenues	9,314,700	10,279,311	10,279,311	-	10,279,311	-
<b>EXPENDITURES</b>						
Student Services	9,263,640	10,278,232	10,278,232	-	10,278,232	-
Custodial Deductions	-	-	-	-	-	-
Total Expenditures	9,263,640	10,278,232	10,278,232	-	10,278,232	-
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	51,060	1,079	1,079	-	1,079	-
<b>OTHER FINANCING SOURCES</b>						
Transfers In	-	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-	-
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES</b>	<u>\$ 51,060</u>	<u>\$ 1,079</u>	1,079	-	1,079	<u>\$ -</u>
Fund Balance - Beginning of Year			23,917	-	23,917	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 24,996</u>	<u>\$ -</u>	<u>\$ 24,996</u>	

See accompanying Notes to Budgetary Comparison Schedules.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND**  
**ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive Negative
<b>REVENUES</b>						
State Revenues	\$ 243,152	\$ 377,489	377,489	\$ -	\$ 377,489	\$ -
Federal Revenues	260,182	1,410,481	1,410,481	-	1,410,481	-
Institutional Revenues	195,070	995,232	995,232	-	995,232	-
Total Revenues	698,404	2,783,202	2,783,202	-	2,783,202	-
<b>EXPENDITURES</b>						
Capital Outlay:						
Instruction	4,408,286	5,120,338	5,120,338	-	5,120,338	-
Instructional Resources	423,093	771,569	771,569	-	771,569	-
Student Services	-	7,650	7,650	-	7,650	-
General Institutional	7,428,650	6,605,151	6,605,151	-	6,605,151	-
Physical Plant	3,604,712	3,899,173	3,899,173	-	3,899,173	-
Total Expenditures	15,864,741	16,403,881	16,403,881	-	16,403,881	-
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	(15,166,337)	(13,620,679)	(13,620,679)	-	(13,620,679)	-
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	-	1,567,235	1,567,235	-	1,567,235	-
Transfers Out	-	(6,263)	(6,263)	-	(6,263)	-
Issuance of Long-Term Debt	11,500,000	12,000,000	12,000,000	-	12,000,000	-
Total Other Financing Sources	11,500,000	13,560,972	13,560,972	-	13,560,972	-
<b>DEFICIENCY OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER EXPENDITURES</b>	<u>\$ (3,666,337)</u>	<u>\$ (59,707)</u>	(59,707)	-	(59,707)	<u>\$ -</u>
Fund Balance - Beginning of Year			20,796,072	-	20,796,072	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 20,736,365</u>	<u>\$ -</u>	<u>\$ 20,736,365</u>	
<b>FUND BALANCE</b>						
Reserved for Prepaid Items			-			
Unreserved Fund Balance:						
Designated for Operations			-			
Reserved for Capital Projects			20,736,365			
Total Fund Balance			<u>\$ 20,736,365</u>			

See accompanying Notes to Budgetary Comparison Schedules.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND**  
**ACTUAL (NON-GAAP BUDGETARY BASIS) – DEBT SERVICE FUND**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
<b>REVENUES</b>						
Local revenues	\$ 11,934,137	\$ 13,770,657	\$ 13,770,657	\$ -	\$ 13,770,657	\$ -
Institutional Revenues	50,000	135,437	135,437	-	135,437	-
Total Revenues	11,984,137	13,906,094	13,906,094	-	13,906,094	-
<b>EXPENDITURES</b>						
Physical Plant	13,942,176	14,081,590	14,081,590	-	14,081,590	-
Total Expenditures	13,942,176	14,081,590	14,081,590	-	14,081,590	-
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	(1,958,039)	(175,496)	(175,496)	-	(175,496)	-
<b>OTHER FINANCING SOURCES</b>						
Premium on Long-Term Debt	400,000	300,505	300,505	-	300,505	-
Total Other Financing Sources	400,000	300,505	300,505	-	300,505	-
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES</b>	<u>\$ (1,558,039)</u>	<u>\$ 125,009</u>	125,009	-	125,009	<u>\$ -</u>
Fund Balance - Beginning of Year			5,688,804	-	5,688,804	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 5,813,813</u>	<u>\$ -</u>	<u>\$ 5,813,813</u>	
<b>FUND BALANCE</b>						
Designated for Operations			-			
Reserved for Debt Service			<u>\$ 5,813,813</u>			
			<u>\$ 5,813,813</u>			

See accompanying Notes to Budgetary Comparison Schedules.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION – BUDGET AND**  
**ACTUAL (NON-GAAP BUDGETARY BASIS) – ENTERPRISE FUND**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
<b>OPERATING REVENUES</b>						
Local Government	\$ -	\$ 80,006	\$ 80,006	\$ -	\$ 80,006	\$ -
Institutional	2,005,000	2,036,885	2,036,885		2,036,885	-
Total Operating Revenues	2,005,000	2,116,891	2,116,891	-	2,116,891	-
<b>OPERATING EXPENSES</b>						
Auxiliary Services	2,300,000	2,221,844	2,221,844	-	2,221,844	-
Total Expenses	2,300,000	2,221,844	2,221,844	-	2,221,844	-
<b>OPERATING LOSS</b>	(295,000)	(104,953)	(104,953)	-	(104,953)	-
<b>OPERATING TRANSFERS</b>						
Transfers In	-	-	-	-	-	-
Transfers Out	-	(82,339)	(82,339)	-	(82,339)	-
Total Operating Transfers	-	(82,339)	(82,339)	-	(82,339)	-
<b>CHANGE IN NET POSITION</b>	<u>\$ (295,000)</u>	<u>\$ (187,292)</u>	(187,292)	-	(187,292)	<u>\$ -</u>
Net Position - Beginning of Year			536,797	-	536,797	
<b>NET POSITION - END OF YEAR</b>			<u>\$ 349,505</u>	<u>\$ -</u>	<u>\$ 349,505</u>	
<b>NET POSITION - UNRESTRICTED</b>			<u>\$ 349,505</u>			

See accompanying Notes to Budgetary Comparison Schedules.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION – BUDGET AND**  
**ACTUAL (NON-GAAP BUDGETARY BASIS) – INTERNAL SERVICE FUND**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
<b>OPERATING REVENUES</b>						
Institutional	\$ 6,600,000	\$ 6,410,432	\$ 6,410,432	\$ -	\$ 6,410,432	\$ -
Total Operating Revenues	6,600,000	6,410,432	6,410,432	-	6,410,432	-
<b>OPERATING EXPENSES</b>						
Auxiliary Services	6,720,000	5,601,892	5,601,892	-	5,601,892	-
Total Expenses	6,720,000	5,601,892	5,601,892	-	5,601,892	-
<b>OPERATING INCOME (LOSS)</b>	(120,000)	808,540	808,540	-	808,540	-
<b>OPERATING TRANSFERS</b>						
Transfers In	-	-	-	-	-	-
Transfers Out	(833,000)	(194,192)	(194,192)	-	(194,192)	-
Total Operating Transfers	(833,000)	(194,192)	(194,192)	-	(194,192)	-
<b>CHANGE IN NET POSITION</b>	<u>\$ (953,000)</u>	<u>\$ 614,348</u>	614,348	-	614,348	<u>\$ -</u>
Net Position - Beginning of Year			4,983,134	-	4,983,134	
<b>NET POSITION - END OF YEAR</b>			<u>\$ 5,597,482</u>	<u>\$ -</u>	<u>\$ 5,597,482</u>	
<b>NET POSITION - UNRESTRICTED</b>			<u>\$ 5,597,482</u>			

See accompanying Notes to Budgetary Comparison Schedules.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO BUDGETARY COMPARISON SCHEDULES  
JUNE 30, 2023**

**NOTE 1 BUDGETARY ACCOUNTING**

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

Property taxes are levied by the various taxing municipalities located primarily in Marathon, Clark, Lincoln, Menominee, Portage, Price, Shawano, Taylor, Waupaca, and Langlade Counties. The District records as revenues its share of the local tax when levied, since the District's share becomes available during its fiscal year to finance its operations.

Public hearings are conducted on the proposed budget.

Prior to July 1, the budget is legally enacted through approval by the Board.

Budget amendments during the year are legally authorized. 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 Board and require publishing a Class I public notice in the District's official newspaper within ten days according to Wisconsin statutes. It is the Board's policy to amend the budget to actual each fiscal year.

Management exercises control over budgeted expenditures by fund and function (i.e., instruction, instructional resources, etc.), as presented in the required supplementary information. Expenditures may not exceed funds available or appropriated, unless authorized by a resolution adopted by a vote of two-thirds of the Board. Unused appropriations lapse at the end of each fiscal year.

Formal budgetary integration is employed as a planning device for all funds. The annual operating budget is prepared primarily on the same basis as fund financial statements prior to the adoption of GASB Statement No. 34, except encumbrances are also included in the adopted budget. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the formal budgetary process.



**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO BUDGETARY COMPARISON SCHEDULES  
JUNE 30, 2023**

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

**REVENUES**

Actual Amounts (Budgetary Basis) "Revenues" from the Budgetary Comparison Schedules:

General Fund	\$ 42,003,153
Special Revenue Aidable Fund	12,067,480
Special Revenue Non-Aidable Fund	10,279,311
Capital Projects Fund	2,783,202
Debt Service Fund	13,906,094
Enterprise Fund	2,116,891
Internal Service Fund	6,410,432
	<u>89,566,563</u>

Adjustments:

Interfund Charges and Internal Service Funds are Eliminated for GAAP Reporting	(6,384,008)
Proceeds on Sale of Assets are Reported Net of the Value of the Assets Sold for GAAP Reporting	(42,401)
Student Aid in the Form of Loans is Included in Expenditures for Budgetary Purposes but Offset Revenues for GAAP Reporting	(3,667,642)
Scholarship Allowances are Included in Expenditures for Budgetary Purposes but Offset Revenues for GAAP Reporting	(3,552,192)
Summer Tuition Recognized on the Cash Basis is Adjusted to Accrual Basis for GAAP Reporting	49,003
Property Taxes Levied for Debt Service Payments in the Subsequent Fiscal Year are Deferred for Budgetary Purposes	<u>(2,794,700)</u>

Reconciled Revenues	<u><u>\$ 73,174,623</u></u>
---------------------	-----------------------------

Revenues per Statement of Revenues and Expenses on a GAAP Basis:

Operating Revenues	\$ 26,849,650
Property Taxes	21,613,330
State Operating Appropriations	22,078,799
HEERF Act Funding	1,301,418
Investment Income	<u>1,331,426</u>

Total	<u><u>\$ 73,174,623</u></u>
-------	-----------------------------

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO BUDGETARY COMPARISON SCHEDULES  
JUNE 30, 2023**

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

**EXPENDITURES**

Actual Amounts (Budgetary Basis) "Expenditures" from the Budgetary Comparison Schedules:

General Fund	\$ 41,149,727
Special Revenue Aidable Fund	11,660,101
Special Revenue Non-Aidable Fund	10,278,232
Capital Projects Fund	16,403,881
Debt Service Fund	14,081,590
Enterprise Fund	2,221,844
Internal Service Fund	5,601,892
	<u>101,397,267</u>

Adjustments:

Interfund Charges and Internal Service Funds are Eliminated for GAAP Reporting	(6,384,008)
Student Aid in the Form of Loans are Included in Expenditures for Budgetary Purposes but Offset Revenues for GAAP Reporting	(3,667,642)
Scholarship Allowances are Included in Expenditures for Budgetary Purposes but Offset Revenues for GAAP Reporting	(3,552,192)
Cash Basis Expenditures Adjusted to Accrual Basis for GAAP Reporting:	
Summer School Instructional Wages	-
Postemployment Benefits	(248,579)
Pension Related Benefits	2,391,808
Health Insurance Benefits	631,001
Subscription Based Information Technology Arrangements	68,063
The Acquisition of Capital Assets, Excluding Donations, is Reported as an Expenditure for Budgetary Purposes	(14,220,217)
Repayment of Principal on Long-Term Debt is a Budgetary Expenditure	(12,590,000)
Bond Premium is Amortized for GAAP Purposes	(322,016)
Depreciation and Loss on Capital Asset Disposal is Recorded for GAAP Purposes	<u>11,169,278</u>

Expenses on a GAAP Basis	<u><u>\$ 74,672,763</u></u>
--------------------------	-----------------------------

Expenses per the Statement of Revenues and Expenses on a GAAP Basis:

Operating Expenses	\$ 73,458,871
Loss on Disposal of Capital Assets	44,316
Interest Expense	<u>1,169,576</u>

Total	<u><u>\$ 74,672,763</u></u>
-------	-----------------------------

Other financing sources and uses such as transfers in (out) and proceeds from issuance of long-term debt are not recognized as revenues or expenses for GAAP reporting.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2023**

<b>Awarding Agency Award Description Passthrough Agency</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Agency Number</b>	<b>Program Award Amount</b>	<b>Federal Grantor Expenditures</b>	<b>Amounts Provided to Subrecipients</b>
<u>US Department of Agriculture</u>					
Pass-Thru Entity - Regents of the University Of Minnesota					
C2A3: Regionally Specific & Collaborative Educational Approaches to Promote Sustainable Soil Health Practices September 25, 2018 - October 31, 2023	10.215	H007179327	200,000	26,452	23,155
Pass-Thru Entity - Northeast Community College NRCS Cooperative Agreement April 22, 2020 - April 22, 2024	10.215	NR203A750007C001-01-05	53,000	14,176	
Total 10.215				40,628	
NRCS Cooperative Agreement Internship Collaboration to Improve and Bolster Recruitment Efforts September 15, 2021 - September 15, 2026	10.902	NR215F48XXXXC006	65,000	10,063	
Total U.S. Department of Agriculture				50,691	23,155
<u>U.S. Department of Interior</u>					
Higher Education Grant Program Bureau of Indian Affairs July 1, 2022 - June 30, 2023	15.114			49,116	
Total U.S. Department of Interior				49,116	

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2023  
(SEE INDEPENDENT AUDITORS' REPORT)**

<b>Awarding Agency Award Description Passthrough Agency</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Agency Number</b>	<b>Program Award Amount</b>	<b>Federal Grantor Expenditures</b>	<b>Amounts Provided to Subrecipients</b>
<u>U.S. Department of Labor</u>					
Apprenticeship USA Grants Pass-Thru Entity - WI Technical College System SAE Operational Enhancements July 1, 2021 - June 30, 2023	17.285	15-831-155-252	24,113	16,841	
WI SAE 2020 Grant					
Pass-Thru Entity - WI Department of Workforce Development YA Consortia Outcomes Funding Bridging YA Completers to RA Contracts July 1, 2022 - June 30, 2023	17.285	AP-35130-20-60-A-55	5,000		
Apprenticeship USA Grants Pass-Thru Entity - WI Technical College System Youth Apprenticeship July 1, 2021 - June 30, 2023	17.285	15-858-155-262	23,740	9,656	
<b>Total 17.285</b>				<b>26,497</b>	
Mine Health and Safety Grants NTC Mine Safety 2021 October 1, 2020 - September 30, 2022	17.600	MS368212155R55	98,473	(14,252)	
Mine Health and Safety Grants NTC Mine Safety 2021 October 1, 2021 - September 30, 2023	17.600	MS368212155R55	365,031	190,700	
<b>Total 17.600</b>				<b>176,448</b>	
<b>Total U.S. Department of Labor</b>				<b>202,945</b>	<b>-</b>

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

<b>Awarding Agency Award Description Passthrough Agency</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Agency Number</b>	<b>Program Award Amount</b>	<b>Federal Grantor Expenditures</b>	<b>Amounts Provided to Subrecipients</b>
U.S. Department of the Treasury					
Pass-thru Entity - Northwest WI Workforce Development Board Workforce Advancement Initiative Contract October 1, 2021 - September 30, 2023	21.027	WAI-NTC-2021	682,330	158,618	
Pass-thru Entity - WI Technical College System Meat Talent Development Program June 1, 2022 - December 30, 2024	21.027	15-821-138-253	420,143	-	
Pass-Thru Entity - University of WI System (University of WI - Stevens Point) Forest Industry Workforce Recruitment and Development Initiative June 20, 2022 - June 30, 2025	21.027	23-01	4,497,518	970,208	
<b>Total U.S. Department of the Treasury/ALN 21.027</b>				<b>1,128,826</b>	<b>-</b>
National Science Foundation					
Retooling Machine Tool Technician Program R&D Cluster October 1, 2022 - September 30, 2025	47.076	2201611	342,519	64,533	
<b>Total 47.076</b>				<b>64,533</b>	<b>-</b>
U.S. Department of Education					
Student Financial Aid Cluster					
Supplemental Education Opportunity Grants Direct Program July 1, 2022 - June 30, 2023	84.007	P007A224527	225,970	225,879	
<b>Total 84.007</b>				<b>225,879</b>	<b>-</b>

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

<b>Awarding Agency Award Description Passthrough Agency</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Agency Number</b>	<b>Program Award Amount</b>	<b>Federal Grantor Expenditures</b>	<b>Amounts Provided to Subrecipients</b>
Federal Family Education Loan Program - Stafford Direct Program	84.268				
July 1, 2022 - June 30, 2023		P268K222670		2,129,312	
July 1, 2023 - June 30, 2024		P268K232670		165,544	
Federal Family Education Loan Program - Unsubsidized Stafford	84.268				
Direct Program					
July 1, 2022 - June 30, 2023		P268K222670		1,505,935	
July 1, 2023 - June 30, 2024		P268K232670		6,236	
Federal Family Education Loan Program - Plus Direct Program	84.268				
July 1, 2022 - June 30, 2023		P268K222670		18,895	
<b>Total 84.268</b>				<b>3,825,922</b>	
Federal Work-Study Program Direct Program	84.033				
July 1, 2021 - June 30, 2022		P033A214527	130,310		
July 1, 2022 - June 30, 2023		P033A224527	59,476	59,567	
July 1, 2023 - June 30, 2024		P033A234527		426	
<b>Total 84.033</b>				<b>59,993</b>	
Pell Grant Administrative Allowance	84.063				
		P063Q202670		5	
		P063Q212670		270	
		P063Q222670		6,275	
Direct Program					
July 1, 2021 - June 30, 2022		P063P212670		(385)	
July 1, 2022 - June 30, 2023		P063P222670		3,840,440	
July 1, 2023 - June 30, 2024		P063P232670		340,187	
<b>Total 84.063</b>				<b>4,186,792</b>	
<b>Total Student Financial Aid Cluster</b>				<b>8,298,586</b>	

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2023  
(SEE INDEPENDENT AUDITORS' REPORT)**

<b>Awarding Agency Award Description Passthrough Agency</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Agency Number</b>	<b>Program Award Amount</b>	<b>Federal Grantor Expenditures</b>	<b>Amounts Provided to Subrecipients</b>
Adult Education - State Administered Pass thru entity - Wisconsin Technical College System NTC District Consortium for Comprehensive Services July 1, 2021 - June 30, 2022	84.002	15-511-146-122	298,748		
Services to At-Risk Populations - Incarcerated Individuals July 1, 2021 - June 30, 2022		15-531-146-112	69,352		
NTC District Comprehensive Services July 1, 2022 - June 30, 2023		15-511-146-123	255,293	255,293	
NTC District Adult Corrections Education and Re-Entry Services July 1, 2022 - June 30, 2023		15-531-146-113	75,000	66,151	
<b>Total 84.002</b>				<b>321,444</b>	<b>-</b>
Discretionary (Research & Development) RAISE: 'EM+UP (Risk Alert Interventions to Support Education: Early Measures + Ultra Predictive October 1, 2020 - September 30, 2025	84.031A	P031A200126	2,163,597	382,016	
<b>Total 84.031A</b>				<b>382,016</b>	

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

<b>Awarding Agency Award Description Passthrough Agency</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Agency Number</b>	<b>Program Award Amount</b>	<b>Federal Grantor Expenditures</b>	<b>Amounts Provided to Subrecipients</b>
Vocational Education - Basic Grants	84.048				
Pass thru entity - Wisconsin Technical College System					
Achieving Student Success for At-Risk Students					
July 1, 2021 - June 30, 2022		15-102-150-232	391,460		
July 1, 2022 - June 30, 2023		15-102-150-233	439,465	439,465	
Increasing NTO Enrollment and Completion					
July 1, 2021 - June 30, 2022		15-104-150-262	24,625		
July 1, 2022 - June 30, 2023		15-104-150-263	29,298	29,155	
Career Prep					
July 1, 2021 - June 30, 2022		15-107-150-212	46,161		
July 1, 2022 - June 30, 2023		15-107-150-213	45,828	45,828	
Strengthening Programs					
July 1, 2021 - June 30, 2022		15-108-150-252	98,501		
July 1, 2022 - June 30, 2023		15-108-150-253	117,191	102,125	
Capacity Building for Equity & Inclusion					
July 1, 2021 - June 30, 2022		15-109-150-222	43,553		
July 1, 2022 - June 30, 2023		15-109-150-223	43,237	43,237	
<b>Total 84.048</b>				<b>659,810</b>	



**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

<b>Awarding Agency Award Description Passthrough Agency</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Agency Number</b>	<b>Program Award Amount</b>	<b>Federal Grantor Expenditures</b>	<b>Amounts Provided to Subrecipients</b>
Higher Education Emergency Relief Fund - COVID DOE SIAHE to Support NTC Students July 31, 2021 - June 30, 2023	84.425S	P425S210045	1,072,301	71,289	
Higher Education Emergency Relief Fund - COVID ARP Act @ NTC - College Support May 12, 2021 - June 30, 2023	84.425F	P425F200788 - 20B	3,286,873	952,321	
Higher Education Emergency Relief Fund - COVID ARP Act @ NTC - SIP August 4, 2021 - June 30, 2023	84.425M	P425M200461 - 20C	542,875	277,808	-
<b>Total 84.425</b>				<b>1,301,418</b>	<b>-</b>
GEAR UP Wisconsin Department of Public Instruction July 1, 2022 - June 30, 2023	84.334			4,125	
<b>Total U.S. Department of Education</b>				<b>10,967,399</b>	<b>-</b>
<u>Federal Emergency Management Agency</u> Pass thru entity - Wisconsin Technical College System FEMA Assistance to Firefighters Supplemental December 1, 2021 - November 30, 2022	97.044	15-847-153-112	27,478	4,817	
<b>Total 97.044</b>				<b>4,817</b>	
<b>TOTAL FEDERAL REVENUES</b>				<b>\$ 12,468,327</b>	<b>\$ 23,155</b>

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
YEAR ENDED JUNE 30, 2023  
(SEE INDEPENDENT AUDITORS' REPORT)**

<b>Awarding Agency Award Description Passthrough Agency</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Agency Number</b>	<b>Program Award Amount</b>	<b>State Grantor Expenditures</b>	<b>Amounts Provided to Subrecipients</b>
Wisconsin Higher Education Aids Board Direct Programs					
Higher Education Grant July 1, 2022 - June 30, 2023	235.102			1,301,944	
Remission of Fees for Veterans and Dependents July 1, 2022 - June 30, 2023	235.105			45,890	
Minority Retention Grant July 1, 2022 - June 30, 2023	235.107			1,893	
Academic Excellence Scholarship July 1, 2022 - June 30, 2023	235.109			3,939	
Handicapped Assistance Grant July 1, 2022 - June 30, 2023	235.112			-	
Talent Incentive Program July 1, 2022 - June 30, 2023	235.114			21,900	
Nursing Student Loan July 1, 2022 - June 30, 2023	235.117			13,500	
Technical Excellence Scholarship Grant July 1, 2022 - June 30, 2023	235.119			46,691	
Indian Grant July 1, 2022 - June 30, 2023	235.132			2,200	
<b>Total Wisconsin Higher Education Aids Board</b>				<b>1,437,957</b>	

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
YEAR ENDED JUNE 30, 2023  
(SEE INDEPENDENT AUDITORS' REPORT)**

<b>Awarding Agency Award Description Passthrough Agency</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Agency Number</b>	<b>Program Award Amount</b>	<b>State Grantor Expenditures</b>	<b>Amounts Provided to Subrecipients</b>
<u>Wisconsin Technical College System</u>					
<u>Direct Programs</u>					
Student Emergency Fund July 1, 2021 - June 30, 2022	292.104	15-850-104-112	17,730	5,071	
Student Emergency Fund July 1, 2022 - June 30, 2023	292.104	15-850-104-112	22,574	16,646	
State Aids for Vocational, Technical and Adult Education July 1, 2022 - June 30, 2023	292.105			5,862,700	
State Aid for Outcomes Based Funding July 1, 2022 - June 30, 2023				1,809,395	
General State Aid Adjustment - Prior Year				(560,900)	
Building & Retaining a Leadership Culture Consortium July 1, 2021 - August 31, 2022	292.124	15-884-124-172	200,000	21,022	
Improving Workforce Performance Consortium July 1, 2021 - August 31, 2022	292.124	15-883-124-172	178,396	47,618	
Proactive Safety and Risk Mitigation Consortium July 1, 2021 - August 31, 2022	292.124	15-882-124-172	82,332	77,580	
Welcome Dairy - Impacting Leadership in Colby, Wisconsin July 1, 2021 - August 31, 2022	292.124	15-885-124-172	114,876	23,085	

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2023  
(SEE INDEPENDENT AUDITORS' REPORT)**

<b>Awarding Agency Award Description Passthrough Agency</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Agency Number</b>	<b>Program Award Amount</b>	<b>State Grantor Expenditures</b>	<b>Amounts Provided to Subrecipients</b>
Supporting Student Success at Northcentral Technical College July 1, 2021 - September 30, 2022	292.124	15-824-124-162	225,000	13,361	
Intentional Impact on NTC Career Pathways July 1, 2021 - June 30, 2022	292.124	15-833-124-122	259,409		
Lights, Camera, Action! NTC's E-Production Associate Degree Program July 1, 2021 - June 30, 2023	292.124	15-834-124-132	150,000	53,600	
Transforming Readiness through Academic and Non-Academic Supports for Pathways to Occupational Realization in Transportation January 1, 2022 - June 30, 2022	292.124	15-836-124-202	29,018		
FY2022 Guided Pathways Cohort Project January 1, 2022 - December 31, 2022	292.124	15-846-124-192	90,431	50,780	
Flexible Learning in a Smart Factory: NTC's Automation Systems Technology Program July 1, 2021 - June 30, 2023	292.124	15-848-124-132	350,000	233,166	
Professional Growth for Faculty & Staff at NTC July 1, 2021 - June 30, 2022	292.124	15-849-124-152	55,490		
Instructional Innovation and Inclusion at NTC July 1, 2021 - June 30, 2022	292.124	15-851-124-182	150,000		
Northcentral Technical College's Veterinary Technician Program July 1, 2021 - June 30, 2023	292.124	15-859-124-142	200,000	52,220	

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

<b>Awarding Agency Award Description Passthrough Agency</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Agency Number</b>	<b>Program Award Amount</b>	<b>State Grantor Expenditures</b>	<b>Amounts Provided to Subrecipients</b>
Developing Markets: Civil Engineering Technology Associate Degree July 1, 2020 - June 30, 2022	292.124	15-861-124-151	200,000		
Core Industry: Applied Engineering Technology Associate Degree July 1, 2020 - June 30, 2022	292.124	15-862-124-131	500,000	167,120	
Core Industry: Nursing: Enhancing Clinical Experiences through Simulation July 1, 2020 - June 30, 2022	292.124	15-866-124-131	750,000	106,300	
NTC Career Exploration for Underserved, Non-Traditional Students July 1, 2022 - June 30, 2023	292.124	15-820-124-123	67,371	53,897	
Supporting Student Success at Northcentral Technical College July 1, 2022 - June 30, 2023	292.124	15-824-124-163	225,000	224,103	
2023 Regional Adult Education Professional Development April 15, 2023 - June 30, 2023	292.124	15-835-124-193	2,100	2,071	
TRANSPORT, Another Route July 1, 2022 - June 30, 2023	292.124	15-836-124-203	65,892	65,892	
NTC's Project SOS: Stopped Out Students July 1, 2022 - September 30, 2023	292.124	15-838-124-193	200,000	146,609	
Articulating a Clear Pathway July 1, 2021 - June 30, 2024	292.124	15-843-124-183	100,000	61,767	

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

<b>Awarding Agency Award Description Passthrough Agency</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Agency Number</b>	<b>Program Award Amount</b>	<b>State Grantor Expenditures</b>	<b>Amounts Provided to Subrecipients</b>
Professional Growth for Faculty & Staff at NTC July 1, 2022 - June 30, 2023	292.124	15-849-124-153	55,490	55,490	
AAC&U Conference Leadership Grant January 1, 2023 - June 30, 2023	292.124	15-853-124-183	3,000	1,400	
Plumbing Apprenticeship-Related Instruction Program July 1, 2021 - June 30, 2023	292.124	15-855-124-113	6,858	6,858	
Machinist Tool & Die Apprenticeship-Related Instruction Program July 1, 2021 - June 30, 2023	292.124	15-856-124-113	6,156	2,465	
Equipping Learners for Future Success in NTC's Substance Use Disorder Counseling Program July 1, 2022 - June 30, 2024	292.124	15-864-124-133	176,530	115,136	
NTC's Garden to Market Specialist Program July 1, 2022 - June 30, 2024	292.124	15-865-124-143	200,000	136,731	
Transitioning Today's Frontline into Tomorrow's Leaders Consortium July 1, 2022 - August 31, 2023	292.124	15-886-124-173	200,000	168,295	
Leading Workforce Change Post-Pandemic Consortium July 1, 2022 - August 31, 2023	292.124	15-887-124-173	200,000	164,092	
Critical Skills for Success Consortium July 1, 2022 - August 31, 2023	292.124	15-889-124-173	200,000	122,169	
<b>Total 292.124</b>				<b>2,172,827</b>	<b>-</b>

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

<b>Awarding Agency Award Description Passthrough Agency</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Agency Number</b>	<b>Program Award Amount</b>	<b>State Grantor Expenditures</b>	<b>Amounts Provided to Subrecipients</b>
Fire Certification Training July 1, 2022 - June 30, 2023	292.137			29,934	
HazMat Training July 1, 2022 - June 30, 2023	292.138			3,700	
Property Tax Relief Aids July 1, 2022 - June 30, 2023	292.162			14,630,553	
<b>Total Wisconsin Technical College System</b>				<b>23,969,926</b>	<b>-</b>
Wisconsin Department of Natural Resources Payments in Lieu of Taxes July 1, 2022 - June 30, 2023	370.503			29,169	
<b>Total Department of Natural Resources</b>				<b>29,169</b>	
Wisconsin Department of Workforce Development Local Youth Apprenticeship July 1, 2021 - June 30, 2022	445.107	5884	322,091	(692)	
Local Youth Apprenticeship July 1, 2022 - June 30, 2023	445.107	7292	387,200	438,664	
<b>Total 445.107</b>				<b>437,972</b>	

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

<b>Awarding Agency Award Description Passthrough Agency</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Agency Number</b>	<b>Program Award Amount</b>	<b>State Grantor Expenditures</b>	<b>Amounts Provided to Subrecipients</b>
Wisconsin Department of Revenue State Aid-Personal Property Tax July 1, 2022 - June 30, 2023	835.103			123,602	
Aid in Lieu of Computer Taxes July 1, 2022 - June 30, 2023	835.109		102,303	104,756	
Total Wisconsin Department of Revenue			102,303	228,358	-
State of Wisconsin Department of Health Services Passthrough Agency - Marshfield Clinic Health System Allied Health Professionals Training Grant July 1, 2021 - June 30, 2023		435100-G22-ALLIEDHEALTH-01	45,632	15,243	
Total Wisconsin Department of Health Services			45,632	15,243	-
Wisconsin Department of Transportation Direct Program					
Motorcycle Safety - Basic Rider Course January 1, 2023 - June 30, 2023	20.395 (4)(aq)	MCG-R1-2023-NTC-00053	27,626	16,403	
Motorcycle Safety - Basic Rider Course July 1, 2022 - December 31, 2022	20.395 (4)(aq)	MG-2022-NTC-00039	13,294	13,294	
Motorcycle Safety - Basic Rider Course January 1, 2022 - June 30, 2022	20.395 (4)(aq)	MG-2022-NTC-00033	41,133	33,934	
Motorcycle Safety - RiderCoach Preparation Course January 1, 2023 - June 30, 2023	20.395 (4)(aq)	MCG-R1-2023-NTC-00070	4,036	4,036	
Motorcycle Safety - RiderCoach Preparation Course January 1, 2022 - June 30, 2022	20.395 (4)(aq)	MG-2022-NTC-00034	5,928		
Total Wisconsin Department of Transportation				67,667	-
TOTAL STATE OF WISCONSIN AWARDS				26,186,292	-



**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED JUNE 30, 2023**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal and state awards (the Schedules) include the federal and state award activity of the District under programs of the federal and state government for the year ended June 30, 2023. The information in these schedules is 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 and State of Wisconsin Single Audit Guidelines*. 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedules are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or limited as to reimbursement. Negative amounts shown on the schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE 3 INDIRECT COSTS**

The District has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED JUNE 30, 2023**

**NOTE 4 RECONCILIATION**

Federal:

Revenues per Statement of Revenues, Expenses, and Changes in Net Position:	
Operating Revenues - Federal Grants	\$ 7,512,766
HEERF Funding	<u>1,301,418</u>
Total Federal Revenues per Statement of Revenues, Expenses, and Changes in Net Position	8,814,184

Adjustments:

Federal Direct Loan Program (CFDA #84.268)	3,654,142
Miscellaneous	<u>3</u>
Federal Revenues per Schedule of Expenditures of Federal Awards	<u><u>\$ 12,468,329</u></u>

State:

Revenues per Statement of Revenues, Expenses, and Changes in Net Position:	
Operating Revenues - State Grants	\$ 4,078,111
Nonoperating Revenues - State Operating Appropriations	<u>22,078,799</u>
Total State Revenues per Statement of Revenues, Expenses, and Changes in Net Position	26,156,910

Adjustments:

Nursing Student Loan (State ID# 235.117)	13,500
Miscellaneous	<u>15,882</u>
State Revenues per Schedule of Expenditures of State Awards	<u><u>\$ 26,186,292</u></u>

# STATISTICAL SECTION



**YEARS ENDED 2023 & 2022**

Annual Comprehensive  
Financial Report

## **NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**

### **Statistical Section**

This part of the District's annual comprehensive 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.

### **Contents**

#### **Financial Trends**

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

#### **Revenue Capacity**

These schedules contain information to help the reader assess 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.

**Sources:** Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

**Column Headings:** The columns headed "Year" in this section refer to the District's fiscal year (July 1 to June 30). Certain data included in this section is only available on a calendar-year basis; and if calendar-year data is presented, it is disclosed in the notes to the specific statement or schedule included in this section.

# Northcentral Technical College District

## Net Position by Component

Last Ten Fiscal Years  
(accrual basis of accounting)

	2023	Restated 2022	2021	2020	Restated 2019	Restated 2018	2017	2016	2015	2014
Net investment in capital assets	\$37,213,215	\$33,696,112	\$29,514,527	\$23,839,782	\$21,759,852	\$24,122,258	\$24,480,899	\$28,497,678	\$29,039,852	\$29,746,802
Restricted for debt service	8,145,380	7,812,886	7,461,581	8,396,806	9,422,746	8,317,949	9,388,527	11,063,982	10,121,109	9,264,121
Restricted for pension benefit	-	13,204,201	10,460,144	5,519,445	-	-	-	-	4,402,643	-
Unrestricted	25,710,779	17,854,315	15,630,785	12,315,542	15,540,947	18,166,960	17,801,658	18,737,591	21,614,051	19,179,833
Total net position	\$71,069,374	\$72,567,514	\$63,067,037	\$50,071,575	\$46,723,545	\$50,607,167	\$51,671,084	\$58,299,251	\$65,177,655	\$58,190,756



# Northcentral Technical College District

## Changes in Net Position

Last Ten Fiscal Years

	2023	Restated 2022	2021	2020	2019	2018	2017	2016	2015	2014
Operating revenues:										
Student program fees, net of scholarship allowances	\$5,950,417	\$6,071,204	\$5,221,402	\$5,205,781	\$4,856,036	\$4,702,937	\$4,684,795	\$5,083,670	\$4,485,648	\$4,774,640
Student material fees, net of scholarship allowances	369,703	364,103	333,312	341,682	356,349	346,263	331,100	398,967	347,126	358,249
Other student fees, net of scholarship allowances	667,476	586,461	844,450	861,289	858,693	727,238	346,153	390,000	340,848	162,453
Federal grants	7,512,766	6,097,982	6,651,294	6,709,180	7,286,073	7,627,080	9,096,043	10,358,425	11,282,402	11,727,859
State grants	4,078,111	4,003,017	3,465,957	4,301,214	3,936,707	4,656,697	4,545,926	5,336,002	4,926,646	2,753,170
Business and industry contract revenues	3,133,591	4,012,673	3,023,161	4,423,369	3,685,269	3,029,511	2,313,036	2,287,285	2,210,023	1,727,342
School District contract revenues	844,430	889,722	836,714	794,688	721,485	743,169	693,180	669,328	636,323	655,060
Auxiliary enterprise revenues	2,063,309	2,105,630	2,069,712	2,025,971	2,238,015	2,492,635	2,669,422	3,041,570	3,255,858	3,570,585
Miscellaneous	2,229,847	868,016	990,569	1,168,745	1,267,747	1,206,794	1,473,424	849,434	1,192,697	1,315,374
Total operating revenues	26,849,650	24,998,808	23,436,571	25,831,919	25,206,374	25,532,324	26,153,079	28,414,681	28,677,571	27,044,732
Operating expenses:										
Instruction	33,427,679	27,307,022	25,592,175	31,091,502	32,330,976	31,146,729	30,969,598	31,222,473	31,142,075	30,151,286
Instructional resources	1,273,267	1,124,463	751,674	1,272,272	2,107,388	2,264,889	1,822,605	1,826,568	1,673,428	1,482,282
Student services	5,335,454	4,764,606	3,937,774	4,398,553	4,532,906	4,314,762	4,113,066	4,164,310	4,191,157	4,129,864
General institutional	12,604,792	9,175,463	8,415,620	10,624,143	11,518,850	11,426,340	12,527,972	12,217,745	10,890,678	10,027,128
Physical plant	3,725,383	3,746,237	3,419,077	3,960,895	4,537,471	4,235,123	4,409,893	4,280,141	4,767,258	4,931,756
Auxiliary enterprise services	2,252,885	2,071,539	1,985,894	2,034,632	2,271,546	2,484,925	3,027,776	3,472,975	3,389,300	3,382,427
Public service										45,415
Depreciation	12,170,756	11,375,288	8,982,799	8,834,949	9,046,710	8,604,521	12,027,408	7,494,047	6,234,479	6,562,946
Student aid	2,668,655	7,227,917	2,880,996	2,651,659	2,179,836	1,678,198	1,606,644	2,659,220	3,003,411	3,576,225
Total operating expenses	73,458,871	66,792,535	55,966,009	64,868,605	68,525,683	66,155,487	70,504,962	67,337,479	65,291,786	64,289,329
Operating loss	(46,609,221)	(41,793,727)	(32,529,438)	(39,036,686)	(43,319,309)	(40,623,163)	(44,351,883)	(38,922,798)	(36,614,215)	(37,244,597)
Nonoperating revenues (expenses):										
Property taxes	21,613,330	22,644,579	22,919,150	21,889,541	20,865,483	20,323,698	19,742,496	19,233,396	18,457,033	31,075,521
State operating appropriations	22,078,799	21,691,319	20,385,536	19,750,509	18,998,416	19,387,371	19,254,123	18,968,541	19,177,118	5,174,400
CARES Act Funding	1,301,418	8,078,397	3,258,871	1,335,000						
Gain (loss) on disposal of capital assets	(44,316)	(109,988)	(44,392)	(118,185)	8,105	(2,641)	(797,071)	(16,649)		
Investment income earned	1,331,426	53,172	53,840	380,271	567,569	290,730	126,786	88,442	75,530	124,243
Interest expense	(1,169,576)	(1,063,275)	(1,048,105)	(852,420)	(1,003,886)	(586,501)	(602,618)	(461,430)	(454,482)	(489,114)
Transfer of capital assets to Wausau Area Community Network									(1,593,733)	
Total nonoperating revenues	45,111,081	51,294,204	45,524,900	42,384,716	39,435,687	39,412,657	37,723,716	37,812,300	35,661,466	35,885,050
Income (loss) before other changes in net position	(1,498,140)	9,500,477	12,995,462	3,348,030	(3,883,622)	(1,210,506)	(6,628,167)	(1,110,498)	(952,749)	(1,359,547)
Other - Cumulative effect of change in accounting principle									(5,767,906)	7,939,648
Total change in net position	(\$1,498,140)	\$9,500,477	\$12,995,462	\$3,348,030	(\$3,883,622)	(\$1,210,506)	(\$6,628,167)	(\$1,110,498)	(\$6,720,655)	\$6,580,101

The District implemented GASB 68 beginning with fiscal year ended June 30, 2015, and restated fiscal year ended June 30, 2014, as a result

The District implemented GASB 75 beginning with fiscal year ended June 30, 2016, and restated fiscal year ended June 30, 2015, as a result

The District implemented GASB 84 beginning with fiscal year ended June 30, 2020, and restated fiscal year ended June 30, 2019 and June 30, 2018, as a result

# Northcentral Technical College District

Distribution of Real Property Value on an Equalized Basis  
Langlade, Lincoln, Marathon, Menominee, Price, and Taylor Counties (1)  
Last Ten Calendar Years

Calendar Year	Residential	Commercial	Manufacturing	Agriculture and Ag Forest	Undeveloped	Forest	Other	Personal Property	Total	District Equalized Valuation (2)	Total Direct Tax Rate (3)
2013 % of Total	11,382,792,954 66.36%	2,596,436,300 15.14%	535,848,700 3.12%	360,002,686 2.10%	159,293,342 0.93%	1,060,060,963 6.18%	617,295,452 3.60%	440,207,124 2.57%	17,151,937,521	13,565,091,841	2.08521
2014 % of Total	11,390,744,716 66.28%	2,638,766,060 15.35%	534,072,500 3.11%	359,750,959 2.09%	158,843,863 0.92%	1,039,358,224 6.05%	617,269,000 3.59%	446,792,459 2.60%	17,185,597,781	13,785,484,262	1.21807
2015 % of Total	11,331,535,626 66.10%	2,646,624,060 15.44%	567,484,300 3.31%	356,933,851 2.08%	158,036,666 0.92%	1,014,520,616 5.92%	612,601,290 3.57%	455,117,467 2.65%	17,142,853,876	13,910,543,454	1.26109
2016 % of Total	11,399,751,016 65.87%	2,739,133,330 15.83%	571,602,000 3.30%	356,990,745 2.06%	156,822,236 0.91%	994,977,954 5.75%	620,824,970 3.59%	465,885,333 2.69%	17,305,987,584	14,201,624,752	1.26545
2017 % of Total	11,496,159,102 65.82%	2,777,853,500 15.90%	591,280,500 3.39%	355,701,566 2.04%	155,722,836 0.89%	984,609,076 5.64%	626,470,410 3.59%	478,985,107 2.74%	17,466,782,097	14,603,138,274	1.26845
2018 % of Total	11,610,731,222 66.26%	2,809,847,770 16.04%	629,983,000 3.60%	357,549,318 2.04%	156,258,436 0.89%	965,809,726 5.51%	632,767,840 3.61%	358,927,483 2.05%	17,521,874,795	15,062,356,238	1.26242
2019 % of Total	11,851,124,344 66.30%	2,938,298,420 16.44%	631,239,400 3.53%	362,318,841 2.03%	155,237,926 0.87%	955,464,366 5.34%	633,420,310 3.54%	349,076,205 1.95%	17,876,179,812	15,713,207,743	1.27009
2020 % of Total	12,227,701,381 66.28%	3,085,210,080 16.72%	658,233,100 3.57%	366,747,723 1.99%	157,183,846 0.85%	951,690,536 5.16%	644,933,550 3.50%	358,002,844 1.94%	18,449,703,060	16,586,177,694	1.26273
2021 % of Total	12,848,874,801 66.73%	3,219,199,140 16.72%	692,067,700 3.59%	376,734,942 1.96%	160,807,846 0.84%	938,462,906 4.87%	656,180,270 3.41%	363,230,484 1.89%	19,255,558,089	17,015,111,648	1.21066
2022 % of Total	13,437,843,415 67.26%	3,307,842,240 16.56%	689,984,800 3.45%	390,968,145 1.96%	169,773,460 0.85%	961,384,491 4.81%	683,830,330 3.42%	338,034,959 1.69%	19,979,661,840	19,129,422,428	1.16987

Source: Wisconsin Department of Revenue, Bureau of Equalization

Notes:

- (1) The District is comprised of almost all of six (6) counties (Langlade, Lincoln, Marathon, Menominee, Price, and Taylor) and parts of four (4) counties (Clark, Portage, Shawano, and Waupaca). Real property values are presented for Langlade, Lincoln, Marathon, Menominee, Price, and Taylor counties. These six counties comprise over 90% of the District's total equalized valuation.
- (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. This 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, with the District. The amount shown is for the six counties listed only. Therefore, the above total column will be greater than the actual total equalized value for the District.
- (3) Property tax rates are shown per \$1,000 of equalized value.

# Northcentral Technical College District

## Direct and Overlapping Property Tax Rates (2)

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

	Calendar Year Taxes are Payable									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District Direct Rates:										
Operational (1)	0.504	0.572	0.625	0.632	0.632	0.642	0.639	0.635	0.627	1.510
Debt Service	0.666	0.638	0.638	0.638	0.630	0.626	0.626	0.626	0.591	0.575
Total Direct Rate	1.170	1.210	1.263	1.27	1.262	1.268	1.265	1.261	1.218	2.085
Clark County										
T Beaver	16.64	18.21	20.24	20.77	20.74	20.84	21.84	22.00	21.55	21.53
T Colby	17.45	19.29	20.50	20.51	20.66	20.74	21.06	21.27	20.74	20.84
T Eaton	17.18	19.84	20.93	21.88	21.53	21.49	22.32	24.28	24.18	25.01
T Fremont	19.20	20.55	21.86	22.41	21.74	21.70	21.98	22.24	22.38	22.52
T Green Grove	17.21	18.45	19.41	19.58	18.90	19.68	20.05	19.85	20.02	19.16
T Hoard	17.85	19.16	19.71	18.65	17.55	18.95	19.45	18.78	18.62	17.23
T Loyal	16.95	18.45	20.58	20.91	20.91	20.96	22.04	22.08	21.60	21.55
T Mayville	19.20	21.24	22.08	22.03	22.33	22.48	21.96	23.33	23.37	22.39
T Sherman	17.13	18.34	20.75	20.86	20.41	20.85	21.30	20.81	20.73	20.59
T Unity	17.66	19.17	21.51	20.92	20.94	21.29	21.60	21.25	21.39	21.36
T Warner	18.14	21.44	22.63	23.64	23.48	22.92	23.83	25.73	25.75	26.46
T Weston	15.53	18.71	18.73	18.89	18.72	19.06	19.71	20.39	19.92	20.72
T York	16.48	18.74	19.78	20.20	20.08	19.97	20.90	21.03	21.04	21.37
V Curtiss	21.11	22.97	23.10	22.79	23.15	22.95	21.04	32.94	32.81	31.04
V Dorchester	21.46	23.55	24.70	24.77	24.91	25.02	25.52	25.37	25.51	25.69
V Unity	19.42	21.13	22.53	22.50	22.69	22.89	22.99	23.34	23.38	23.39
C Abbotsford	24.02	26.03	26.58	26.27	26.08	25.87	24.08	27.85	26.49	26.57
C Colby	22.02	24.19	27.08	26.87	26.88	27.14	27.38	27.38	28.13	28.60
C Loyal	22.83	26.68	28.26	28.37	28.93	29.01	30.46	30.88	29.33	29.22
Langlade County										
T Ackley	13.93	16.54	17.89	16.88	16.98	17.28	17.50	17.58	17.62	17.79
T Antigo	14.08	16.77	18.15	16.88	17.02	17.50	18.13	18.35	18.55	19.05
T Evergreen	18.73	21.23	20.99	19.14	20.40	20.36	21.94	20.75	19.57	20.58
T Langlade	13.34	15.82	16.96	15.91	16.09	16.55	17.01	17.16	17.34	17.81
T Neva	14.47	16.74	18.05	17.21	17.45	17.86	18.07	18.26	17.77	18.13
T Norwood	13.59	15.68	17.03	15.98	16.07	16.59	17.00	17.31	17.63	18.05
T Peck	12.72	14.97	16.24	15.29	15.39	15.86	16.05	16.34	16.65	17.04
T Polar	13.23	15.77	17.13	16.08	16.21	16.75	17.32	17.67	17.89	18.24
T Price	12.78	15.22	16.55	15.48	15.61	16.09	16.47	16.79	17.07	17.50
T Rolling	14.06	16.62	17.98	16.96	19.24	17.56	17.98	18.29	18.65	19.05
T Summit	12.92	15.40	16.68	15.53	15.62	16.19	16.47	16.65	16.93	17.37
T Upham	12.67	13.27	14.02	14.06	14.20	14.69	13.25	13.38	13.62	14.23
T Vilas	13.50	15.96	17.28	16.20	16.31	16.92	17.33	17.62	17.46	17.89
T Wolf River	18.39	20.77	20.51	18.74	19.95	19.96	21.41	20.14	19.03	20.00
V White Lake	22.92	25.84	25.41	23.65	24.82	25.21	27.51	26.00	24.92	26.06
C Antigo	21.06	24.15	24.98	24.15	24.19	25.23	25.35	25.45	25.78	26.01
Lincoln County										
T Birch	11.58	15.02	16.09	16.24	16.66	16.83	17.26	17.61	18.27	18.42
T Corning	12.94	16.45	17.56	17.81	18.29	18.48	18.90	19.30	19.97	20.20
T Harding	12.05	15.57	16.67	16.86	17.32	17.55	17.95	18.31	18.93	19.12
T Harrison	12.94	14.02	16.19	16.83	17.18	17.41	16.66	16.35	16.54	17.54

Legend: T-Town, V-Village, C-City



# Northcentral Technical College District

## Direct and Overlapping Property Tax Rates (2) (Continued)

Last Ten Years

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

	Calendar Year Taxes are Payable									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>Lincoln County</u> (Continued)										
T Merrill	12.52	16.12	17.23	17.41	17.87	17.94	18.37	18.73	19.37	19.51
T Pine River	13.47	17.13	18.34	18.42	18.62	18.86	19.23	19.67	20.39	20.64
T Rock Falls	12.54	15.39	16.69	16.99	17.34	17.56	17.71	17.93	18.55	18.83
T Russell	12.73	16.31	17.48	17.61	18.11	18.36	18.79	19.14	19.67	19.78
T Schley	12.66	16.23	17.38	17.56	17.17	17.38	17.79	18.16	18.82	18.98
T Scott	13.05	16.66	17.83	18.09	18.57	18.81	19.20	19.69	20.41	20.51
C Merrill	23.39	28.03	29.46	30.00	31.08	30.93	32.37	32.08	33.00	31.02
<u>Marathon County</u>										
T Bergen	12.76	15.08	15.70	15.89	16.75	16.92	16.99	17.48	18.16	19.25
T Berlin	16.41	17.90	18.11	18.82	19.15	19.49	19.90	20.21	19.98	20.69
T Bern	11.56	14.38	16.30	17.13	16.10	17.13	18.60	19.18	19.02	19.89
T Bevent	15.25	16.17	16.92	17.01	16.92	17.13	17.86	18.23	18.88	18.82
T Brighton	15.93	17.06	19.24	19.18	19.23	20.10	20.04	19.58	19.85	20.50
T Cassel	15.18	16.70	17.17	17.86	17.78	18.13	18.48	18.51	18.57	18.91
T Cleveland	15.86	17.20	16.99	17.60	17.89	17.64	18.35	17.99	18.14	19.15
T Day	15.04	16.42	16.97	17.83	19.01	19.80	19.99	19.66	20.13	20.58
T Easton	18.63	19.35	19.77	20.41	20.37	20.98	21.29	22.15	22.34	21.92
T Eau Pleine	13.82	15.46	16.18	16.62	17.39	16.61	17.13	16.88	17.17	18.12
T Elderon	14.65	15.39	15.56	16.61	15.64	15.95	16.25	17.50	17.78	17.45
T Emmet	14.30	16.12	16.69	16.87	17.35	17.61	17.83	17.98	18.34	18.68
T Frankfort	14.84	16.23	17.15	17.75	18.01	18.26	18.50	18.66	18.69	19.48
T Franzen	15.65	16.52	16.93	18.28	17.03	17.39	17.06	18.36	18.69	17.69
T Green Valley	14.33	16.42	16.92	17.35	18.27	18.52	19.03	19.14	19.57	20.74
T Guenther	15.56	18.32	19.01	19.34	19.41	19.68	19.59	20.10	20.99	21.77
T Halsey	12.26	15.37	17.28	18.21	17.04	18.15	19.90	20.53	20.42	21.28
T Hamburg	12.81	15.94	17.07	17.41	17.61	18.10	18.83	19.47	20.10	19.95
T Harrison	11.23	13.43	14.76	14.19	14.57	15.19	15.74	16.44	16.74	17.15
T Hewitt	17.93	19.47	19.66	20.40	20.84	21.16	21.57	22.21	21.95	22.55
T Holton	15.34	16.26	16.71	17.20	17.07	17.18	16.72	17.96	18.07	18.60
T Hull	14.28	15.73	16.91	17.17	17.29	17.52	17.85	18.08	18.11	18.78
T Johnson	14.02	16.54	18.13	18.10	17.50	18.29	18.85	20.10	19.76	20.39
T Knowlton	13.33	15.03	15.67	15.87	16.66	16.85	16.96	17.40	18.13	19.29
T Maine								22.11	21.83	21.98
T Marathon	15.76	17.53	17.69	18.33	18.04	18.09	18.92	18.42	18.77	18.77
T McMillan	14.52	15.25	15.78	16.35	16.68	18.09	18.14	18.44	18.55	19.48
T Mosinee	13.38	15.33	15.99	16.25	17.08	17.34	17.50	17.87	18.60	19.60
T Norrie	15.60	16.49	16.70	17.15	16.30	16.95	17.26	17.42	17.66	17.55
T Plover	16.22	18.52	17.97	18.31	17.94	18.39	18.95	20.12	20.43	20.00
T Reid	14.14	15.47	15.83	16.54	16.33	16.65	16.89	17.83	18.27	18.62
T Rib Falls	15.60	17.30	17.75	18.48	17.92	18.17	18.78	18.82	18.67	18.84
T Rib Mountain	17.87	19.48	19.53	20.44	20.76	21.13	21.25	21.75	21.29	22.18
T Rietbrock	12.79	15.41	17.05	17.94	17.14	18.16	19.33	19.89	19.73	20.56
T Ringle	15.04	15.92	16.35	16.93	17.01	17.58	17.87	18.53	18.63	19.65
T Spencer	15.54	16.43	19.36	18.84	18.88	20.10	19.77	18.82	19.22	19.82
T Stettin	17.20	18.80	19.08	19.68	20.05	20.22	20.66	20.88	20.78	21.45
T Texas	17.71	19.23	19.53	20.34	20.66	21.00	21.35	20.97	20.66	21.44
T Wausau	17.74	19.23	19.61	20.47	20.58	21.01	21.26	21.73	21.46	21.64

Legend: T-Town, V-Village, C-City

# Northcentral Technical College District

## Direct and Overlapping Property Tax Rates (2) (Continued)

Last Ten Years

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

	Calendar Year Taxes are Payable									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>Marathon County</u> (Continued)										
T Weston	16.70	17.71	18.24	18.89	19.05	19.56	18.38	19.08	19.09	19.12
T Wien	14.88	16.08	16.93	17.67	17.91	18.56	18.45	18.46	18.21	19.06
V Athens	15.77	19.72	21.71	22.90	22.05	23.21	24.27	25.08	25.13	26.17
V Birnamwood	15.50	16.89	17.30	18.44	17.63	18.06	18.43	19.73	19.86	19.37
V Brokaw					23.37	33.50	34.02	47.00	37.93	43.17
V Dorchester	17.50	19.85	20.80	21.19	20.27	20.16	20.40	23.75	22.80	23.48
V Edgar	18.87	20.27	21.30	21.86	22.16	22.89	22.68	23.02	22.89	23.37
V Elderon	15.18	15.76	16.04	17.17	16.22	16.52	16.87	18.18	18.55	18.28
V Fenwood	14.98	16.23	17.17	17.90	18.24	19.03	18.82	18.90	18.64	19.46
V Hatley	17.00	18.40	18.98	19.71	19.43	19.57	19.92	20.41	20.50	21.39
V Kronenwetter	16.96	18.42	19.09	19.58	20.08	20.49	19.84	21.69	22.07	22.86
V Maine	19.08	19.55	19.85	20.14	20.32	21.02	21.69			
V Marathon	20.10	22.32	22.69	23.50	23.19	23.14	23.92	23.75	23.98	23.94
V Rothschild	20.52	21.90	22.17	23.01	23.39	23.91	24.06	24.91	24.72	25.53
V Spencer	19.74	20.87	24.07	23.88	24.13	25.41	24.73	23.95	24.75	25.11
V Stratford	18.66	20.01	20.34	21.05	21.00	20.79	21.05	20.60	21.47	22.49
V Unity	15.45	16.97	18.30	18.57	18.75	19.04	19.21	19.70	19.90	20.84
V Weston	20.32	21.41	21.75	22.24	22.49	23.03	23.01	23.73	23.66	24.40
C Abbotsford	20.84	22.30	23.15	22.77	25.16	24.04	20.95	23.98	24.30	24.54
C Colby	18.59	20.58	23.46	23.40	23.09	23.79	24.22	24.32	24.92	26.08
C Mosinee	17.32	20.09	20.89	21.27	22.33	22.72	23.09	23.53	23.68	24.52
C Schofield	21.01	22.25	22.40	23.66	24.33	23.61	24.02	25.47	24.87	25.54
C Wausau	24.13	26.08	25.22	26.36	26.66	27.08	27.60	27.49	26.77	27.89
<u>Menominee County</u>										
T Menominee	18.27	17.07	18.57	19.82	21.23	20.25	20.46	22.86	22.48	22.71
<u>Portage County</u>										
T Alban	17.11	18.21	19.48	19.29	19.33	19.64	20.13	20.13	20.71	20.94
T New Hope	16.14	15.53	16.85	17.03	16.98	17.22	17.58	17.49	17.89	18.67
T Sharon	15.75	17.01	18.01	18.22	17.75	17.67	18.29	18.42	18.56	19.76
T Stockton	14.75	15.01	16.29	17.04	16.82	16.27	17.02	17.34	17.21	19.07
V Rosholt	21.39	22.29	23.58	23.66	23.62	21.99	23.38	23.61	24.50	24.98
<u>Price County</u>										
T Catawba	15.71	17.68	17.82	16.78	16.95	17.17	17.42	17.78	16.93	17.89
T Eisenstein	15.04	18.63	17.83	17.42	17.32	16.78	16.57	16.85	14.80	16.36
T Elk	16.12	18.08	18.35	17.30	17.42	17.74	17.82	18.89	17.47	18.33
T Emery	15.73	17.60	17.83	16.60	16.75	17.10	17.23	17.93	16.88	17.72
T Fifield	16.22	20.05	19.39	19.19	19.36	18.91	18.60	18.39	16.67	18.35
T Flambeau	16.03	18.28	18.53	17.41	17.54	17.89	17.97	18.91	17.58	18.72
T Georgetown	15.54	17.66	17.76	16.55	16.95	17.35	17.46	18.26	17.16	18.06
T Hackett	16.82	19.37	19.35	18.99	19.54	18.43	19.75	19.95	18.30	19.66
T Harmony	16.37	18.42	18.69	17.40	17.58	18.02	18.17	19.29	17.77	18.56
T Hill	17.10	19.75	19.71	19.70	20.26	19.44	20.41	19.56	18.42	19.88
T Kennan	16.30	18.72	18.70	17.47	18.08	18.51	18.57	19.31	17.84	18.77
T Knox	16.91	19.62	19.54	19.74	19.21	17.71	19.40	18.90	17.70	19.68
T Lake	17.24	19.94	18.89	18.68	18.46	17.60	17.00	16.88	15.86	17.50
T Ogema	18.36	21.33	21.13	21.00	21.59	20.22	21.34	21.19	19.06	20.98

Legend: T-Town, V-Village, C-City

# Northcentral Technical College District

## Direct and Overlapping Property Tax Rates (2) (Continued)

Last Ten Years

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

	Calendar Year Taxes are Payable									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>Price County</u> (Continued)										
T Prentice	17.40	20.29	20.12	20.05	20.66	18.49	20.19	19.54	18.41	20.07
T Spirit	17.03	19.90	19.39	19.22	19.59	19.75	19.91	20.18	19.18	20.44
T Worcester	15.94	17.67	17.94	16.59	16.72	17.08	17.17	17.94	16.86	17.69
V Catawba	15.63	17.51	17.72	16.57	16.68	17.06	17.18	17.62	16.89	17.81
V Kennan	15.50	17.35	17.59	16.43	16.57	16.94	17.09	17.52	16.80	17.72
V Prentice	19.68	22.73	22.88	22.75	23.48	22.07	23.51	23.06	21.83	23.54
C Park Falls	25.50	30.37	29.65	29.16	29.90	29.39	28.92	29.29	27.18	29.82
C Phillips	22.37	25.21	26.14	25.45	26.00	26.03	25.79	27.78	25.58	26.27
<u>Shawano County</u>										
T Almon	15.07	15.53	17.85	19.40	19.41	18.28	18.45	18.51	18.41	19.09
T Aniwa	13.64	15.25	16.23	16.47	15.76	16.13	16.53	17.41	17.66	17.46
T Bartelme	13.56	13.89	16.18	17.37	17.87	16.42	16.63	16.61	16.50	17.26
T Birnamwood	15.28	15.79	16.09	17.11	15.79	16.21	16.49	17.65	17.86	17.45
T Fairbanks	13.93	16.00	18.34	18.40	20.20	21.22	21.34	21.42	21.25	21.80
T Germania	13.47	15.05	16.69	16.84	17.34	18.21	18.34	18.74	18.67	18.80
T Grant	15.15	16.96	18.09	19.10	19.05	18.51	20.17	19.84	19.77	20.96
T Hutchins	15.20	16.89	16.55	16.62	16.69	16.63	17.03	17.35	17.48	17.97
T Morris	14.48	15.67	17.26	18.18	18.75	18.91	19.13	19.35	19.30	19.73
T Seneca	15.31	15.70	18.05	19.05	19.84	18.51	18.93	18.45	18.47	19.26
T Wittenberg	14.97	15.96	16.29	17.40	16.04	16.47	16.76	17.92	18.05	17.70
V Aniwa	12.37	13.88	15.43	14.90	14.86	15.44	15.92	16.46	16.74	17.07
V Birnamwood	17.28	17.90	19.12	21.04	19.55	19.49	19.94	20.84	21.26	20.54
V Bowler	14.98	15.40	16.64	18.14	18.21	17.21	17.42	17.41	17.31	17.97
V Eland	15.26	16.29	16.74	17.88	16.16	16.71	17.02	18.00	18.68	18.29
V Mattoon	14.78	18.12	20.01	19.48	19.20	17.17	17.62	18.43	18.66	17.20
V Tigerton	17.32	20.18	22.40	22.56	23.98	24.68	25.04	25.16	25.13	25.24
V Wittenberg	18.17	19.63	20.37	21.42	20.46	20.42	20.38	21.25	21.13	20.55
<u>Taylor County</u>										
T Browning	15.69	16.60	18.99	19.00	19.27	19.58	19.41	19.44	19.00	19.99
T Chelsea	15.78	16.64	19.01	19.02	19.23	19.16	18.99	18.98	18.57	19.54
T Deer Creek	16.55	17.66	20.06	20.12	20.42	20.67	20.48	20.54	20.09	21.08
T Goodrich	16.09	17.11	19.49	19.53	19.79	20.03	19.85	19.89	19.43	20.42
T Greenwood	17.48	18.92	19.03	19.37	19.48	20.62	20.48	21.79	21.11	21.74
T Grover	17.40	19.80	20.33	20.33	21.43	22.08	22.20	22.23	22.26	22.63
T Hammel	17.87	18.55	20.93	21.07	20.84	20.89	20.42	20.45	19.94	21.00
T Holway	16.91	17.90	20.31	20.19	20.43	20.72	20.67	20.28	19.83	21.27
T Little Black	16.69	17.70	20.17	20.18	20.51	20.40	19.93	20.04	19.60	20.74
T Maplehurst	18.83	19.74	19.85	20.00	19.33	20.10	20.48	20.33	20.74	20.03
T Medford	16.18	17.12	19.56	19.43	19.72	19.94	19.77	19.79	19.37	20.36
T Molitor	17.00	17.87	20.25	20.31	20.68	21.00	20.76	20.81	20.36	21.35
T Rib Lake	17.67	19.05	19.46	19.84	20.31	21.40	21.29	22.63	21.91	22.59
T Westboro	18.14	19.44	19.80	20.02	20.56	21.80	21.72	23.03	22.23	22.81
V Rib Lake	20.58	22.21	22.81	23.39	24.03	25.14	25.26	26.35	25.62	26.45
V Stetsonville	16.82	18.26	20.50	20.45	20.22	20.52	19.90	19.89	19.28	20.41
C Medford	19.35	21.21	23.87	23.85	24.54	24.97	24.88	24.76	24.29	25.35

Legend: T-Town, V-Village, C-City

# Northcentral Technical College District

## Direct and Overlapping Property Tax Rates (2) (Continued)

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

	Calendar Year Taxes are Payable									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>Waupaca County</u>										
T Harrison	16.75	18.18	19.85	19.95	19.61	19.71	20.47	20.14	20.20	20.52
T Wyoming	14.63	15.63	16.92	17.88	17.73	16.78	18.44	18.91	19.12	20.13

Source: Town, Village, and City Taxes, Wisconsin Department of Revenue, Division of State and Local Finance, Bureau of Local Government Services

Notes:

- (1) The operational property tax includes tax levies for all District funds except the debt service fund. By state statutes, through 2013, the operational mill rate may not exceed \$1.50. Beginning 2014, the operational mill rate may increase based on net new construction.
- (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 apportionments 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.

# Northcentral Technical College District

## Principal Property Taxpayers

Current Year and Nine Years Ago

Name of Business	Type of Business	Year Ended June 30, 2023			Year Ended June 30, 2014		
		2022 Equalized Valuation	Rank	Percent of NTC Total Equalized Valuation	2013 Equalized Valuation	Rank	Percent of NTC Total Equalized Valuation
Great Lakes Cheese of Wausau Wisconsin LLC	Food manufacturing	\$51,283,700	1	0.24%			
Marshfield Clinic	Healthcare	48,158,600	2	0.23%	43,407,200	1	0.29%
Aspirus Wausau Hospital Inc.	Healthcare	43,614,200	3	0.21%	28,417,700	3	0.19%
Spirit Falls Timber, LLC	Forestry	38,319,500	4	0.18%			
Greenheck Fan Corporation	Manufacturer of industrial fans	34,795,300	5	0.17%	20,215,300	9	0.14%
First Wausau Tower LLC	Commercial high-rise building	28,727,700	6	0.14%			
MCHS Hospitals Inc.	Healthcare	28,677,300	7	0.14%			
Apogee Wausau Group Inc.	Door and window manufacturer	27,210,100	8	0.13%	38,761,200	2	0.26%
Abbyland Foods, Inc.	Manufacturer of meat products	24,851,600	9	0.12%			
Menards Inc.	Retail	24,063,300	10	0.11%	22,066,400	7	0.15%
Employers Insurance of Wausau	Insurance				26,801,500	4	0.18%
Wal-Mart Stores Inc.	Retail				24,867,200	5	0.17%
Packaging Corporation of America	Paper mill/manufacturer of corrugated medium				24,563,300	6	0.16%
Saint Clare's Hospital	Healthcare				20,553,700	8	0.14%
Wausau Joint Venture	Commercial property/mall				20,012,400	10	0.13%
Totals		\$349,701,300		1.67%	\$269,665,900		1.81%
Northcentral Technical College Equalized Valuation (TID Out)		\$21,040,837,383			\$14,900,465,191		

Source: R.W. Baird & Co., Inc.

# Northcentral Technical College District

## Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Cumulative Amount Collected As of June 30, 2022	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	31,070,611	21,655,487	69.70%	9,415,124	31,070,611	100.00%
2015	18,408,799	12,899,921	70.07%	5,508,878	18,408,799	100.00%
2016	19,232,908	13,600,130	70.71%	5,632,778	19,232,908	100.00%
2017	19,727,694	14,120,007	71.57%	5,607,687	19,727,694	100.00%
2018	20,327,421	14,681,329	72.22%	5,646,092	20,327,421	100.00%
2019	20,881,030	14,934,637	71.52%	5,946,393	20,881,030	100.00%
2020	21,902,757	15,850,525	72.37%	6,052,232	21,902,757	100.00%
2021	22,927,965	16,920,926	73.80%	6,007,039	22,927,965	100.00%
2022	22,640,206	16,889,971	74.60%	5,750,235	22,640,206	100.00%
2023	24,615,099	18,331,982	74.47%	6,283,117	24,615,099	100.00%

### Tax Levies, Rates, and Collections

Personal property taxes, special assessments, special charges, and special taxes must be paid to the town, city, or village treasurer in full by January 31. Real property taxes may be paid in full by January 31, or in two equal installments payable by January 31 and July 31. Municipalities also have the option of adopting payment plans which allow taxpayers to pay their real property taxes and special assessments in three or more installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30, and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the town, city, or village treasurer. Amounts paid after January 31 are paid to the county treasurer unless the municipality has authorized payment in three or more installments; in which case payment is made to the town, city, or village treasurer. Any amounts paid after July 31 are paid to the county treasurer.

For municipalities which have not adopted an installment payment plan, the town, city, or village treasurer settles with other taxing jurisdictions for collections through the preceding month on January 15 and February 20. For municipalities which have adopted an installment payment plan, the town, city, or village treasurer settles with other taxing jurisdictions for collections through the preceding month on January 15, February 15, and the 15th day of each month following a month in which an installment payment is due. On or before August 20, the county treasurer must settle in full with the underlying tax districts for all real property taxes and special taxes. The county board may authorize its county treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may then recover any tax delinquencies by enforcing the lien on the property, retaining any penalties or interest on the delinquencies for which it has settled. Since, in practice, all delinquent real estate taxes are withheld from the county's share of taxes, the District receives 100% of the real estate taxes it levies.

# Northcentral Technical College District

## Schedule of Ratios of Outstanding Debt

Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>General Obligation Debt</b>										
General obligation notes	\$48,910,000	\$49,500,000	\$48,750,000	\$47,505,000	\$48,900,000	\$46,220,000	\$45,225,000	\$45,450,000	\$40,585,000	\$38,265,000
Plus deferred premium	2,245,918	2,292,253	2,070,032	1,745,784	1,564,914	1,085,436	1,043,242	846,977	675,454	607,005
Debt service fund assets available	(5,813,813)	(5,715,273)	(5,306,445)	(4,884,207)	(3,945,931)	(2,977,216)	(2,466,861)	(1,986,343)	(1,852,626)	(1,496,700)
Net general obligation debt	\$45,342,105	\$46,076,980	\$45,513,587	\$44,366,577	\$46,518,983	\$44,328,220	\$43,801,381	\$44,310,634	\$39,407,828	\$37,375,305
Per capita	\$209.79	\$212.99	\$210.39	\$205.63	\$216.26	\$207.22	\$204.24	\$206.84	\$183.69	\$174.29
Per full-time equivalent student	\$17,141.92	\$17,120.08	\$16,518.56	\$15,501.41	\$16,628.18	\$14,381.54	\$13,511.02	\$12,949.89	\$11,501.91	\$10,106.62
Percent of equalized value	0.20%	0.23%	0.24%	0.24%	0.27%	0.26%	0.27%	0.28%	0.25%	0.24%
Percent of personal income	0.33%	0.35%	0.37%	0.38%	0.42%	0.42%	0.43%	0.45%	0.41%	0.40%
<b>General Obligation and Other Debt</b>										
General obligation notes	\$48,910,000	\$49,500,000	\$48,750,000	\$47,505,000	\$48,900,000	\$46,220,000	\$45,225,000	\$45,450,000	\$40,585,000	\$38,265,000
Plus deferred premium	2,245,918	2,292,253	2,070,032	1,745,784	1,564,914	1,085,436	1,043,242	846,977	675,454	607,005
Plus capital lease obligations										
General obligation and other debt	\$51,155,918	\$51,792,253	\$50,820,032	\$49,250,784	\$50,464,914	\$47,305,436	\$46,268,242	\$46,296,977	\$41,260,454	\$38,872,005
Per capita	\$236.69	\$239.41	\$234.92	\$228.27	\$234.60	\$221.14	\$215.74	\$216.11	\$192.33	\$181.27
Per full-time equivalent student	\$19,339.88	\$19,243.61	\$18,444.46	\$17,207.92	\$18,038.65	\$15,347.45	\$14,271.95	\$13,530.40	\$12,042.63	\$10,511.35
Percent of equalized value	0.23%	0.26%	0.26%	0.27%	0.29%	0.28%	0.28%	0.29%	0.26%	0.25%
Percent of personal income	0.37%	0.40%	0.41%	0.42%	0.46%	0.45%	0.46%	0.47%	0.43%	0.42%

Notes:

(1) Ratios using population and personal income are calculated based on the preceding calendar year. See schedule of demographic statistics.

(2) Debt per student is calculated using full-time equivalent enrollment. See schedule of enrollment statistics.

# Northcentral Technical College District

## Computation of Direct and Overlapping Debt

Year Ended June 30, 2023

Name of Entity (1)	Net Debt Outstanding	Percent Applicable to District (2)	Outstanding Debt Applicable to District
Clark County	\$4,037,759	27.57 %	\$1,113,210
Langlade County	630,000	68.13	429,219
Lincoln County	12,750,000	49.37	6,294,675
Marathon County	57,385,000	96.49	55,370,787
Menominee County	74,079	100.00	74,079
Portage County	9,950,000	4.19	416,905
Price County	2,425,000	100.00	2,425,000
Shawano County	12,535,000	19.67	2,465,635
Taylor County	11,900,000	80.19	9,542,610
Waupaca County	19,410,000	0.66	128,106
Total Cities	113,557,473	100.00	113,557,473
Total Towns	20,238,984	Varies	18,773,699
Total Villages	61,623,913	100.00	61,623,913
Total School Districts	299,299,382	Varies	297,979,740
Total Sanitary Districts	6,694,173	Varies	6,661,810
Subtotal, overlapping debt			576,856,861
District direct debt:			
General Obligation Notes			48,910,000
Deferred Premium			2,245,918
Subtotal, District direct debt			51,155,918
Total direct and overlapping debt			\$628,012,779
2022 equalized valuation - TID In			\$22,460,324,183
Direct, overlapping, and underlying indebtedness as a percentage of equalized valuation			2.80%
Population of District			216,131
Direct and overlapping, indebtedness per capita			\$2,906
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 in 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 repaying the debt, of each overlapping government.			
(2) The percentage of overlapping debt applicable to the District is the equalized property value of property of the overlapping government located in the District as a percentage of total equalized value of all property for the overlapping government.			



# Northcentral Technical College District

## Legal Debt Margin Information

Year Ended June 30, 2023

### Legal Debt Margin Calculation for Fiscal Year 2022

2022 Equalized Valuation - TID In	\$22,460,324,183
	x 5%
Total debt limit - 5% of equalized valuation	1,123,016,209
Debt applicable to limit:	
General obligation notes	\$48,910,000
Less: Debt service funds available (GAAP Basis)	5,813,813
Total amount of debt applicable to debt limit	43,096,187
Legal total debt margin	\$1,079,920,022

### Legal Debt Margin, Last Ten Fiscal Years

Fiscal 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
2014	777,917,097	36,768,300	741,148,797	4.73%
2015	791,190,524	38,732,374	752,458,150	4.90%
2016	799,784,297	43,463,657	756,320,640	5.43%
2017	817,486,084	42,758,139	774,727,945	5.23%
2018	843,550,411	43,242,784	800,307,627	5.13%
2019	873,772,557	44,954,069	828,818,488	5.14%
2020	916,414,490	42,620,793	873,793,697	4.65%
2021	965,286,730	43,443,555	921,843,175	4.50%
2022	997,658,446	43,784,727	953,873,719	4.39%
2023	1,123,016,209	43,096,187	1,079,920,022	3.84%

### Notes:

Bonded indebtedness may not exceed 2% of equalized valuation and total indebtedness may not exceed 5% of equalized valuation including all tax incremental financing districts (TIDs). For fiscal years 2014 to 2023, the District had no bonded indebtedness.

# Northcentral Technical College District

## Demographic Statistics for Marathon, Lincoln, Langlade, Menominee, Price, and Taylor Counties (1) Historical Comparisons

Year	District Population(3)	County Population (2)						Total Personal Income (5)	Per Capita Personal Income (4)						Unemployment Rate (6)					
		Marathon	Lincoln	Langlade	Menominee	Price	Taylor		Marathon	Lincoln	Langlade	Menominee	Price	Taylor	Marathon	Lincoln	Langlade	Menominee	Price	Taylor
2014	214,440	134,803	28,816	19,847	4,236	14,155	20,733	9,268,965	43,761	38,759	38,731	28,147	40,869	37,596	3.9	5.1	6.3	9.7	4.3	5.0
2015	214,532	135,341	28,835	19,907	4,244	14,133	20,715	9,615,661	45,077	41,038	41,198	31,160	41,825	39,060	3.5	4.6	5.5	7.3	4.2	4.6
2016	214,225	135,483	28,787	19,995	4,256	14,086	20,741	9,747,515	46,136	41,797	40,359	30,467	41,988	38,228	2.9	3.9	4.4	6.1	4.1	4.1
2017	214,465	134,943	28,830	20,072	4,248	14,028	20,692	10,082,101	47,526	43,168	41,672	30,874	43,055	39,625	2.4	2.8	3.7	4.3	3.5	3.4
2018	213,917	135,922	28,862	20,131	4,258	14,046	20,746	10,492,362	49,641	44,902	42,726	31,995	44,070	40,394	2.3	2.8	3.6	4.3	3.4	3.5
2019	215,110	136,517	28,957	20,086	4,265	14,216	20,849	10,986,321	52,045	45,879	44,264	36,500	45,085	42,940	2.4	3.3	4.1	5.8	4.0	3.8
2020	215,759	138,013	28,415	19,491	4,255	14,054	19,913	11,711,400	55,055	49,098	48,118	39,554	48,014	47,580	3.5	4.6	5.0	9.4	5.0	4.8
2021	216,330	138,934	28,873	20,138	4,306	14,269	20,955	12,354,511	58,096	51,407	51,008	43,212	51,148	49,783	1.9	2.6	3.1	4.6	2.9	3.1
2022	216,330	139,205	28,431	19,457	4,266	14,026	19,976	13,033,567	61,305	53,825	54,072	47,208	54,487	52,088	1.9	2.3	3.0	3.9	2.9	3.6
2023	216,131	139,197	28,353	19,311	4,251	13,920	19,968	13,750,628	64,691	56,356	57,319	51,574	58,043	54,500	3.2	3.4	3.7	7.2	3.4	3.4

Notes:

- (1) Marathon, Lincoln, and Taylor Counties are the most populous counties in the District. The District includes almost all of the above six (6) counties and parts of four (4) other counties. These six counties comprise over 90% of the District's total equalized valuation.
- (2) Source: Wisconsin Department of Administration, Demographic Services Center.
- (3) Source: Wisconsin Technical College System (based on Wisconsin Department of Administration Final Population Estimates).
- (4) Source: U.S. Department of Commerce, Bureau of Economic Analysis.  
\*Figures for 2022 and 2023 are estimates based on the rate of change from 2020 to 2021, subject to future revision.
- (5) Source: U.S. Department of Commerce, Bureau of Economic Analysis. Total includes Marathon, Lincoln, Langlade, Menominee, Price, and Taylor counties only. Amounts in thousands.  
\*Figures for 2022 and 2023 are estimates based on the rate of change from 2020 to 2021, subject to future revision.
- (6) Source: Wisconsin Department of Workforce Development. 2023 Unemployment rates are through June 30, 2023.

# Northcentral Technical College District

## Principal Employers

Current Year and Nine Years Ago

Name of Business	County	Type of Business	Year Ended June 30, 2023			Year Ended June 30, 2014		
			Number of Employees	Rank	Percent of District Population	Number of Employees	Rank	Percent of District Population
Aspirus Wausau Hospital Inc.	Marathon	Healthcare	2,228	1	1.03 %	1,001	6	0.47 %
UMR Inc.	Marathon	Insurance	2,000	2	0.93	1,200	5	0.56
Marathon Cheese Corporation	Marathon	Cheese packaging	1,888	3	0.87			0.00
Greenheck Fan Corporation	Marathon	Manufacturer of industrial fans	1,855	4	0.86	1,200	3	0.56
Kolbe & Kolbe Millwork	Marathon	Manufacturer of windows/doors	1,588	5	0.73	1,400	1	0.65
County Materials Corp	Marathon	Ready mixed concrete manufacturers	1,500	6	0.69			
BW Papersystems	Price	Manufacturer of industrial equipment products	1,420	7	0.66			
Sheet Metal Workers Intl Assn	Marathon	Labor organization	1,300	8	0.60			
Wausau School District	Marathon	Education	1,124	9	0.52	1,268	2	0.59
Church Mutual Insurance Company	Lincoln	Insurance	1,044	10	0.48	465	19	0.22
North Central Health Care	Marathon	Healthcare	1,000	11	0.46	999	8	0.47
Regal Rexnord Corp	Marathon	Electric Motor Manufacturer	1,000	12	0.46			
Harley Davidson Motor Co.	Lincoln	Motorcycle dealer	840	13	0.39	450	20	0.21
Merrill Area Common Public School District	Lincoln	Education	377	14	0.17			0.00
Lincoln Wood Products Inc.	Lincoln	Manufacturer of windows/doors	300	15	0.14			
Lincoln County	Lincoln	Government	257	16	0.12			
Tomahawk Historical Society	Lincoln	Museum	200	17	0.09			
Price County	Price	Government	186	18	0.09			
Marshfield Medical Center	Price	Hospital	184	19	0.09			
Pine Crest Nursing Home	Lincoln	Skilled nursing care facility	180	20	0.08			
Wausau Insurance/Liberty Mutual	Marathon	Insurance				1,200	4	0.56
Marathon Electric Motors	Marathon	Electric Motor Manufacturer				1,000	7	0.47
Wausau-Mosinee Paper Corporation	Marathon	Manufacturer of paper products				852	9	0.40
Marathon County Government	Marathon	Government				750	10	
Price County Publications Inc.	Price	Publisher of newspapers without printing				600	11	0.28
Kraft Pizza Co. (Tombstone)	Taylor	Manufacturer of frozen pizza				600	12	0.28
Memorial Health Center Inc.	Taylor	Healthcare				600	13	0.28
Sacred Heart - St. Mary Hospital	Lincoln	Hospital				550	14	0.26
Packaging Corporation of America	Lincoln	Paper mill/manufacturer of corrugated medium				500	15	0.23
Marquip Ward United	Price	Manufacturer of industrial equipment products				500	16	0.23
WeatherShield Manufacturing Inc.	Taylor	Manufacturer of windows/doors				500	17	0.23
Hurd Windows & Doors, Inc.	Taylor	Manufacturer of windows/doors				500	18	0.23
Total			20,471		9.46 %	16,135		7.18 %

Source: R.W. Baird & Co. Information provided for top ten largest employers in Lincoln, Marathon, Price, and Taylor Counties only.

# Northcentral Technical College District

## Full-Time Employees by Equal Employment Opportunity Classification

Last Ten Fiscal Years

	Full-Time Employees as of June 30									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>District Totals:</u>										
Executive/Administrative/Managerial	52	71	74	74	70	70	64	70	61	72
Faculty	146	126	136	134	133	138	140	137	129	121
Secretarial/Clerical	43	40	50	47	49	49	54	49	50	44
Professional Nonfaculty	66	44	48	44	40	33	40	31	36	22
Technical/Paraprofessional	64	47	40	37	37	40	43	44	52	46
Skilled Craft	7	7	7	6	7	8	8	8	9	7
Service/Maintenance	3	5	4	6	6	5	5	4	4	6
District Total	381	340	359	348	342	343	354	343	341	318

Sources:

2014-2023 NTC Human Resources Office

# Northcentral Technical College District

## Enrollment Statistics Historical Comparisons Last Ten Fiscal Years

	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Student enrollment:										
Associate degree	33,891	33,591	32,507	33,401	31,191	31,654	32,168	32,940	32,733	33,582
Vocational:										
Diploma	2,830	2,909	2,961	2,984	3,373	3,298	3,151	3,302	3,133	3,353
Adult	11,585	10,373	7,833	9,463	11,892	11,894	11,883	12,682	12,250	11,606
Basic education	10,946	11,653	12,290	11,857	10,860	12,412	13,738	14,174	12,217	16,005
Total duplicated	59,252	58,526	55,591	57,705	57,316	59,258	60,940	63,098	60,333	64,546
Total unduplicated (A)	24,287	23,338	20,673	22,852	24,073	23,641	23,746	25,294	23,958	24,766
Full-time equivalent (B):										
Associate degree	1,997.2	2,026.7	2,075.0	2,156.2	2,119.9	2,343.6	2,487.4	2,603.3	2,658.2	2,775.8
Vocational:										
Diploma	187.5	189.2	202.9	194.7	224.9	214.4	207.8	236.2	244.9	289.9
Adult	108.2	93.4	70.8	100.4	97.3	121.3	97.2	122.1	113.2	111.0
Basic education	352.3	382.1	406.6	410.8	355.5	403.0	449.5	460.1	409.9	521.4
Total unduplicated	2,645.1	2,691.4	2,755.3	2,862.1	2,797.6	3,082.3	3,241.9	3,421.7	3,426.2	3,698.1

Notes:

- (A) The unduplicated headcount listed is based on unduplicated enrollment within each degree category, however, many students enroll in several degree categories.
- (B) A full-time equivalent (FTE) is 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.

# Northcentral Technical College District

## Operational Expenditures Per Full-Time Equivalent (FTE) Student

Last Ten Fiscal Years

Year Ended June 30,	<u>Operational Expenditures (1)</u>		<u>Student Enrollments</u>		<u>Operational Expenditures per FTE</u>	
	Amount	Percent Increase (Decrease)	FTE's	Percent Increase (Decrease)	Per FTE	Percent Increase (Decrease)
2014	46,510,796	5.99	3,698	(1.65)	12,577	7.77
2015	48,793,478	4.91	3,426	(7.36)	14,242	13.24
2016	48,716,358	(0.16)	3,422	(0.12)	14,236	(0.04)
2017	48,507,997	(0.43)	3,242	(5.26)	14,962	5.10
2018	47,961,477	(1.13)	3,082	(4.94)	15,562	4.01
2019	48,966,047	2.09	2,798	(9.21)	17,500	12.45
2020	49,030,164	0.13	2,862	2.29	17,131	(2.11)
2021	46,381,440	(5.40)	2,755	(3.74)	16,835	(1.73)
2022	50,739,175	9.40	2,691	(2.32)	18,855	12.00
2023	52,809,941	4.08	2,645	(1.71)	19,966	5.89

Note:

- (1) Operational expenditures are based on the budgetary expenditures from the District's General and Special Revenue - Aidable funds, which are the only funds that generate FTE student enrollments.

# Northcentral Technical College District

## Program Graduate Follow-Up Statistics (1) (2)

Last Ten Fiscal Years

Year	Number of Graduates	Number of Follow-up Respondents	Number Available for Employment	Percent Employed	Percent Employed in Related Occupations	Percent Employed in District	Average Monthly Salary
2012-2013	1577	1211	963	86%	74%	67%	2,721
2013-2014	1548	1134	709	93%	79%	65%	2,895
2014-2015	1805	1288	671	93%	80%	67%	3,106
2015-2016	1557	1087	698	94%	82%	55%	3,129
2016-2017	1545	1079	663	95%	83%	68%	3,411
2017-2018	1445	875	570	94%	83%	69%	3,375
2018-2019	1430	839	497	94%	84%	68%	3,713
2019-2020	1512	916	530	90%	79%	53%	3,337
2020-2021	1396	713	396	92%	77%	49%	3,829
2021-2022	1284	744	451	95%	77%	62%	4,011

### Notes:

(1) Based on a survey of NTC graduates conducted approximately six months after graduation; therefore, 2022-2023 statistics are not available. Statistics include graduates of NTC's post-secondary vocational/technical programs. This data does not reflect the activities of students who complete portions of their programs.

(2) Apprenticeship graduate data is excluded.

# Northcentral Technical College District

## Square Footage of District Facilities

Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
NTC - Wausau:										
Main building	343,885	343,885	343,885	338,968	330,370	330,370	330,370	330,370	326,370	323,745
Center for Geriatric Education	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600
Center for Business and Industry	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Center for Health Sciences	135,606	135,606	135,606	135,606	135,606	135,606	135,606	135,606	135,606	135,606
Subtotal	499,091	499,091	499,091	494,174	485,576	485,576	485,576	485,576	481,576	478,951
NTC - Antigo Campus										
NTC - Phillips Campus	74,515	74,515	74,515	74,515	74,515	74,515	74,515	74,515	74,515	74,515
NTC - Spencer Campus	29,600	29,600	29,600	29,600	29,600	29,600	29,600	29,600	29,600	29,600
NTC - Merrill Campus	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600
NTC - Wittenberg Campus	32,176	32,176	32,176	32,176	32,176	27,176	27,176	19,136	19,136	19,136
Agriculture Center of Excellence	2,691	2,691	2,691	2,691	2,691	2,291	2,291	2,291	1,631	
Diesel Building	39,825	39,825	33,825	33,825	33,825	33,825	28,835	28,835	28,835	22,633
CDL Building	9,000	9,000	9,000	9,000	9,000	9,000	9,000			
Subtotal	4,300	4,300	4,300	4,300	4,300	3,066				
Subtotal	201,707	201,707	195,707	195,707	195,707	189,073	181,017	163,977	163,317	155,484
Other (leased):										
NTC - Medford Campus	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500
NTC - Wittenberg Campus										9,600
Diesel Building								9,000	9,000	
Alternative High School Building	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	
Subtotal	18,500	18,500	18,500	18,500	18,500	18,500	18,500	27,500	27,500	22,100
Total square footage	719,298	719,298	713,298	708,381	699,783	693,149	685,093	677,053	672,393	656,535

Source: NTC Office of Facilities Administrator.

Note: The District rents additional space in public school buildings and other facilities to provide instruction.



# SINGLE AUDIT SECTION



**YEARS ENDED 2023 & 2022**

Annual Comprehensive  
Financial Report





**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***

District Board  
Northcentral Technical College District  
Wausau, Wisconsin

We have audited, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate remaining fund information of Northcentral Technical College District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Northcentral Technical College District's basic financial statements, and have issued our report thereon dated Report Date.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Northcentral Technical College District's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of Northcentral Technical College 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

***Report on Compliance and Other Matters***

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of Northcentral Technical College 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 Northcentral Technical College 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**

Milwaukee, Wisconsin  
December 19, 2023



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND STATE SINGLE AUDIT GUIDELINES**

District Board  
Northcentral Technical College District  
Wausau, Wisconsin

**Report on Compliance for Each Major Federal and Major State Program**

***Opinion on Each Major Federal and Major State Program***

We have audited the Northcentral Technical College District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and Wisconsin State Single Audit Guidelines that could have a direct and material effect on each of the Northcentral Technical College District's major federal and major state programs for the year ended June 30, 2023. The Northcentral Technical College's major federal and major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Northcentral Technical College District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and major state programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal and Major State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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 Wisconsin State Single Audit Guidelines. Our responsibilities under those standards, the Uniform Guidance and the Wisconsin State Single Audit Guidelines are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Northcentral Technical College and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and major state program. Our audit does not provide a legal determination of the Northcentral Technical College's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Northcentral Technical College's federal and state programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Northcentral Technical College's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Wisconsin State Single Audit Guidelines will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Northcentral Technical College's compliance with the requirements of each major federal or major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Wisconsin State Single Audit Guidelines, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Northcentral Technical College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Northcentral Technical College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Wisconsin State Single Audit Guidelines, but not for the purpose of expressing an opinion on the effectiveness of the Northcentral Technical College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 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 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 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 Wisconsin State Single Audit Guidelines. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

**CliftonLarsonAllen LLP**

Wauwatosa, Wisconsin  
December 19, 2023

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

---

**Section I – Summary of the Auditors' Results**

---

**Basic Financial Statements**

- |  |                                      |
|--|--------------------------------------|
| 1. Type of auditors' report issued:                            | Unmodified                           |
| 2. Internal control over financial reporting:                  |                                      |
| • Material weakness(es) identified?                            | _____ yes <u>  X  </u> no            |
| • Significant deficiency(ies) identified?                      | _____ yes <u>  X  </u> none reported |
| 3. Noncompliance material to basic financial statements noted? | _____ yes <u>  X  </u> no            |

**Federal Awards**

- |   |                                      |
|---|--------------------------------------|
| 1. Internal control over major federal programs:  |                                      |
| • Material weakness(es) identified?   | _____ yes <u>  X  </u> no            |
| • Significant deficiency(ies) identified?   | _____ yes <u>  X  </u> none reported |
| 2. Type of auditors' report issued on compliance for major federal programs:                          | Unmodified                           |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | _____ yes <u>  X  </u> no            |

**Identification of Major Federal Programs**

**Assistance Listing Number(s)**

84.425E, 84.425F, 84.425M

21.027

84.007, 84.268, 84.033, 84.063

**Name of Federal Program or Cluster**

COVID-19 Higher Education Emergency Relief Fund

Coronavirus State and Local Fiscal Recovery Funds

Student Financial Assistance

Dollar threshold used to distinguish between Type A and Type B programs:

\$   750,000  

Auditee qualified as low-risk auditee?

  X   yes    \_\_\_\_\_ no

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

---

***Section I – Summary of the Auditors' Results (Continued)***

---

***State Financial Assistance***

1. Internal control over state programs:

- Material weakness(es) identified?                      \_\_\_\_\_ yes          X   no
- Significant deficiency(ies) identified?                      \_\_\_\_\_ yes          X   none reported

2. Type of auditors' report issued on compliance for major state programs

Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Guidelines?

\_\_\_\_\_ yes          X   no

***Identification of Major State Programs:***

**CSFA Number**

**Name of State Project**

292.162  
292.105  
292.124  
235.119

Property Tax Relief Aids  
State Aid for Technical Colleges  
WCTS Prior Year  
Technical Excellence Scholarship Grant

Audit threshold used to determine between Type A and Type B programs:  
State Awards

\$   250,000



**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

---

***Section II – Financial Statement Findings***

---

There were no findings required to be reported in accordance with Government Auditing Standards.

---

***Section III – Federal State Award Findings and Questioned Costs***

---


There were no findings required to be reported in accordance with the Uniform Guidance or State of Wisconsin Single Audit Guidelines.

**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

---

***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 noncompliance, nonmaterial noncompliance, 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 <i>State Single Audit Guidelines</i> : |  |
| a. Department of Health Services   | No   |
| b. Department of Transportation  | No   |
| c. Higher Education Aids Board   | No   |
| d. Wisconsin Technical College System Board  | 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   | <div style="text-align: center;"><br/>_____<br/>Jacob Lenell, CPA</div> |
| 5. Date of report  | December 19, 2023  |



#### ANTIGO:

■ Antigo, East Campus  
Wood Technology  
Center of Excellence  
312 Forrest Avenue  
Antigo, WI 54409  
715.623.7601

#### MEDFORD:

■ Medford, West Campus  
1001 Progressive Avenue  
Medford, WI 54451  
715.748.3603

#### MERRILL:

Public Safety  
Center of Excellence  
1603 Champagne Street  
Merrill, WI 54452  
715.348.7205

#### PHILLIPS:

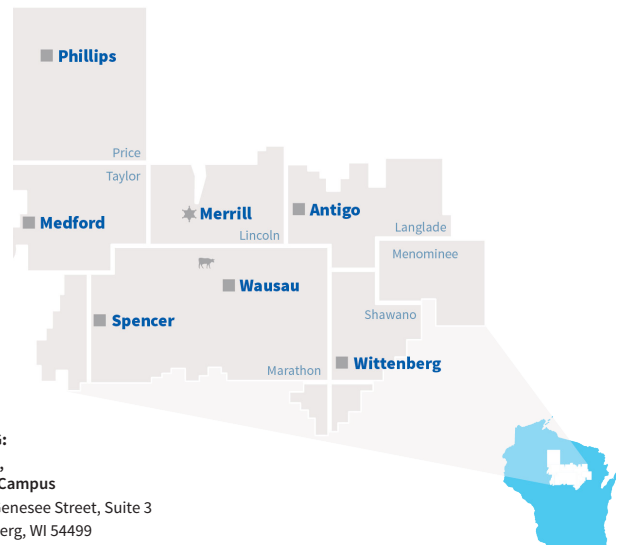
■ Phillips, North Campus  
1408 Pine Ridge Road  
Phillips, WI 54555  
715.339.4555

#### SPENCER:

■ Spencer, Southwest Campus  
808 N. Pacific Street  
Spencer, WI 54479  
715.659.5120

#### WAUSAU:

■ Wausau, Central Campus  
Center for Health Sciences  
Engineering and Advanced  
Manufacturing Center of  
Excellence  
Information Technology  
Entrepreneurial Center  
Professional Conference  
Center  
SPOONS Restaurant  
STEM Center  
Studio Max Salon + Spa  
1000 W. Campus Drive  
Wausau, WI 54401  
715.675.3331  
Agriculture  
Center of Excellence  
6625 County Road K  
Wausau, WI 54401  
715.675.3331  
Diesel Technology Center  
3353 Geischen Dr  
Wausau, WI 54401  
715.675.3331



#### WITTENBERG:

■ Wittenberg, Southeast Campus  
402 N. Genesee Street, Suite 3  
Wittenberg, WI 54499  
715.253.3500



## **APPENDIX B**

### **FORM OF CONTINUING DISCLOSURE CERTIFICATE**

## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Northcentral Technical College District, Clark, Langlade, Lincoln, Marathon, Menominee, Portage, Price, Shawano, Taylor and Waupaca Counties, Wisconsin (the “Issuer”) in connection with the issuance of \$13,500,000 General Obligation Promissory Notes (the “Securities”). The Securities are being issued pursuant to a Resolution dated May 7, 2024 (the “Resolution”). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders and beneficial owners of the Securities and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

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

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

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

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“National Repository” shall mean the Municipal Securities Rulemaking Board electronically through the Electronic Municipal Market Access system, available at [www.emma.msrb.org](http://www.emma.msrb.org), or such other website as may be determined from time to time by the Securities and Exchange Commission.

“Obligated Person” shall mean any person, including an issuer of municipal securities, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Securities.

“Participating Underwriter” shall mean any of the original underwriters of the Securities required to comply with the Rule in connection with the offering of the Securities.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time including any official interpretations thereof.

### Section 3. Provision of Annual Reports.

(a) The Issuer shall, at least annually no later than April 1 of each year commencing April 1, 2025, provide to the National Repository in an electronic format as prescribed by the National Repository, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate.

(b) Documents provided to the National Repository shall be accompanied by identifying information as prescribed by the National Repository.

(c) The Issuer shall determine each year prior to providing the Annual Report the electronic address of the National Repository.

(d) If the Issuer is unable or fails to provide to the National Repository an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of that fact to the National Repository in the format prescribed by the National Repository.

Section 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the following:

(a) The Issuer's audited financial statements. The financial statements will be prepared in accordance with Generally Accepted Accounting Principles.

(b) Updates of the following sections of the final official statement:

(1) The District-Employment Relations

(2) Tax Levies, Rates and Collections

(3) Equalized Valuations

(4) Indebtedness of the District-Direct Indebtedness

Any or all of the items listed above may be incorporated by reference from documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the National Repository or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. (Currently located at 1300 I Street NW, Suite 1000, Washington, DC 20005 (202) 838-1500.) The Issuer shall clearly identify each document so incorporated by reference.

### Section 5. Reporting of Significant Events.

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

(1) Principal and interest payment delinquencies;

(2) Non-payment related defaults, if material;

- (3)     Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4)     Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5)     Substitution of credit or liquidity providers, or their failure to perform;
- (6)     Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Securities or other material events affecting the tax status of the Securities;
- (7)     Modification to rights of holders of the Securities, if material;
- (8)     Bond calls, if material, and tender offers;
- (9)     Defeasances;
- (10)    Release, substitution, or sale of property securing repayment of the Securities, if material;
- (11)    Rating changes;
- (12)    Bankruptcy, insolvency, receivership or similar event of the Obligated Person;
- (13)    The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14)    Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15)    Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
- (16)    Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.



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

(b) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall as soon as possible determine under applicable legal standards if such event would constitute material information, within the meaning of the Rule, for holders or beneficial owners of the Securities, provided, that any event under subsection (a) (1), (3), (4), (5), (8) (tender offers only), (9), (11), (12) or (16) will always be deemed to be material.

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

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

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule.

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

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder or beneficial owner of the Securities may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. The sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance

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

Date: May \_\_\_, 2024

NORTHCENTRAL TECHNICAL COLLEGE DISTRICT,  
CLARK, LANGLADE, LINCOLN, MARATHON,  
MENOMINEE, PORTAGE, PRICE, SHAWANO,  
TAYLOR AND WAUPACA COUNTIES, WISCONSIN

By: \_\_\_\_\_  
Charlie Paulson,  
Secretary-Treasurer

## **APPENDIX C**

### **FORM OF LEGAL OPINION**

ATTORNEYS AT LAW

Telephone (414) 375-2630  
Fax (414) 375-2631

## LEGAL OPINION

We have served as bond counsel with regard to:

\$13,500,000

NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
CLARK, LANGLADE, LINCOLN, MARATHON, MENOMINEE, PORTAGE,  
PRICE, SHAWANO, TAYLOR AND WAUPACA COUNTIES, WISCONSIN  
GENERAL OBLIGATION PROMISSORY NOTES  
DATED MAY 30, 2024

We hereby certify that we have examined a transcript of proceedings of the District Board of the Northcentral Technical College District, Clark, Langlade, Lincoln, Marathon, Menominee, Portage, Price, Shawano, Taylor and Waupaca Counties, Wisconsin relative to the authorization, issuance and sale of the aforesaid Notes. We have also examined the law and such other documents furnished to us as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the transcript of proceedings and other certifications furnished to us without undertaking to verify the same by independent investigation.

The Notes are numbered 1 and upward; are in the denomination of \$5,000 or any integral multiple thereof; bear interest at the rates set forth below; and mature on September 1, 2024 and serially thereafter on March 1 of each year, in the years and principal amounts as follows:

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
September 1, 2024	\$ 1,550,000	—.%
March 1, 2025	6,745,000	—.
March 1, 2026	1,205,000	—.
March 1, 2027	1,270,000	—.
March 1, 2028	1,330,000	—.
March 1, 2029	1,400,000	—.

Interest is payable semi-annually on March 1 and September 1 of each year commencing on September 1, 2024.

The Notes are not subject to redemption prior to maturity.

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

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Notes (except to the extent, if any, stated in the Official Statement), and we express no opinion relating thereto (excepting only the matters set forth as our opinion in the Official Statement).

Based on our examinations, we are of the opinion, as of the date hereof and under existing law, as follows:

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

It is to be understood that the rights of the holders of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable and that enforcement of the Notes may also be subject to the exercise of judicial discretion in appropriate cases.

GRIGGS LAW OFFICE LLC

## **APPENDIX D**

### **OFFICIAL NOTICE OF SALE AND BID FORM**

#### **FOR**

#### **NORTHCENTRAL TECHNICAL COLLEGE DISTRICT, WISCONSIN**

**\$13,500,000**

#### **GENERAL OBLIGATION PROMISSORY NOTES**

##### **Sale Data:**

**BID OPENING:** Monday, May 6, 2024  
10:30 A.M. (Central Time)

**AWARD MEETING:** Tuesday, May 7, 2024  
1:00 P.M. (Central Time)

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

Attention: Ms. Danielle Olson  
Phone: (414) 298-2657  
Fax: (414) 298-7354

Bids will also be accepted electronically via PARITY.

## OFFICIAL NOTICE OF SALE

\$13,500,000

NORTHCENTRAL TECHNICAL COLLEGE DISTRICT  
CLARK, LANGLADE, LINCOLN, MARATHON, MENOMINEE, PORTAGE,  
PRICE, SHAWANO, TAYLOR AND WAUPACA COUNTIES, WISCONSIN  
GENERAL OBLIGATION PROMISSORY NOTES  
DATED MAY 30, 2024

---

Bids will be received for purchase of all but no part of the above Notes in the office of Robert W. Baird & Co., 777 East Wisconsin Avenue, 25th Floor, Milwaukee, Wisconsin 53202, the District's Financial Advisor, until 10:30 a.m. (Central Time) on:

MAY 6, 2024

at which time the bids will be opened. Bids may be mailed, delivered or submitted by fax to Robert W. Baird & Co. at (414) 298-7354, or submitted electronically via PARITY, as described below. Signed bids, without final price or coupons, may be submitted to Robert W. Baird & Co. prior to the time of sale. The bidder shall be responsible for submitting to Robert W. Baird & Co. the final bid price and coupons, by telephone (414) 765-3827 or fax (414) 298-7354 for inclusion in the submitted bid. A meeting of the District Board will be held on May 7, 2024 for the purpose of taking action on such bids as may be received.

Dates and Maturities: The Notes will be dated May 30, 2024 and will mature on September 1, 2024 and serially thereafter on March 1 of each year, in the years and principal amounts as follows:

<u>Date</u>	<u>Amount</u>
September 1, 2024	\$1,550,000
March 1, 2025	6,745,000
March 1, 2026	1,205,000
March 1, 2027	1,270,000
March 1, 2028	1,330,000
March 1, 2029	1,400,000

Interest: Interest on said Notes will be payable on March 1 and September 1 of each year commencing on September 1, 2024 to the registered owners of the Notes appearing of record in the bond register as of the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the MSRB.

No Term Bonds: Bids for the Notes may not contain term bonds.

No Optional Redemption: The Notes are not subject to redemption prior to maturity.

Undertaking to Provide Continuing Disclosure: In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the District will undertake, pursuant to the Award Resolution and a Continuing Disclosure Certificate, to provide annual reports and notices of certain events.

A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Final Official Statement.

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

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

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

Security and Purpose: The Notes are general obligations of the District. The principal of and interest on the Notes will be payable from ad valorem taxes, which may be levied without limitation as to rate or amount upon all of the taxable property located in the District. The Notes shall be issued for the purpose of paying the cost of the District’s 2024-25 Capital Budget, to wit: construction of building additions on the Wausau Campus (not to exceed \$1,500,000); construction of building additions on the Merrill Campus (not to exceed \$1,500,000); remodeling and improvement projects (not to exceed \$1,500,000); building and site maintenance and repairs; site improvements; and equipment acquisition, installation and related costs.

No Designation as Qualified Tax-Exempt Obligations: The District will not designate the Notes as “qualified tax-exempt obligations” pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Type of Bid – Amount: Bids must be submitted either: (1) to Robert W. Baird & Co. as set forth herein; or (2) electronically via PARITY, in accordance with this Official Notice of Sale within a one hour period prior to the time of sale, but no bids will be received after the time established above for the opening of bids. If any provisions in this Notice conflict with any instructions or directions set forth in PARITY, this Official Notice of Sale shall control. The



normal fee for use of PARITY may be obtained from PARITY, and such fee shall be the responsibility of the bidder. For further information about PARITY, potential bidders may contact ROBERT W. BAIRD & CO., 25th Floor, 777 East Wisconsin Avenue, Milwaukee, Wisconsin 53202 or PARITY, c/o i-Deal LLC, 1359 Broadway, 2nd Floor, New York, New York 10018, telephone (212) 849-5021. The District and Robert W. Baird & Co. assume no responsibility or liability for bids submitted through PARITY.

Each bidder shall be solely responsible for making necessary arrangements to access PARITY for purposes of submitting its electronic bid in a timely manner and in compliance with the requirements of this Official Notice of Sale. Neither the District, its agents nor PARITY shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the District, its agents nor PARITY shall be responsible for a bidder's failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY. The District is using the services of PARITY solely as a communication mechanism to conduct the electronic bidding for the Notes, and PARITY is not an agent of the District.

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

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

**Bid Specifications:** Bids will be received on an interest rate basis in integral multiples of One-Twentieth ( $1/20$ ) or One-Eighth ( $1/8$ ) of One Percent (1%). All Notes of the same maturity shall bear the same interest rate. No bid for less than One Hundred Percent (100.00%), THIRTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$13,500,000) and no bid for more than One Hundred Four Percent (104%), FOURTEEN MILLION FORTY THOUSAND DOLLARS (\$14,040,000) plus accrued interest to the date of delivery will be considered. The Notes shall be awarded to a responsible bidder whose proposal results in the lowest true interest cost to the District.

**Good Faith Deposit:** A Good Faith Deposit ("Deposit") in the form of a cashier's check payable to the District in the amount of TWO HUNDRED SEVENTY THOUSAND DOLLARS (\$270,000) is required for each bid to be considered. If a check is used, it must accompany each bid. In the alternative, a deposit in the amount of TWO HUNDRED SEVENTY THOUSAND DOLLARS (\$270,000) shall be made by the winning bidder by federal wire transfer as directed by the District Secretary-Treasurer to be received by the District no later than 1:00 p.m. prevailing Central Time on the day of the bid opening (May 6, 2024) as a guarantee of good faith on the part of the bidder to be forfeited as liquidated damages if such bid be accepted and the bidder fails to take up and pay for the Notes. No interest on the Deposit will accrue to the successful bidder. Upon delivery of the Notes, the Deposit will be applied to the purchase price

of the Notes or returned to the successful bidder. Good faith checks of unsuccessful bidders will be returned by overnight delivery for next day receipt sent not later than the first business day following the sale.

Ratings: The District has applied for a rating on the Notes from Moody's Investors Service and will pay the costs associated with obtaining such rating.

Bond Insurance at Bidder's Option: If the Notes qualify for insurance, the purchase of any such insurance policy shall be at the sole option and expense of the successful bidder. Any increased costs of issuance of the Notes resulting from such purchase of insurance shall be paid by the successful bidder, except that, if the District has requested and received a rating on the Notes from a rating agency, the District will pay that rating fee. Any other rating agency fees shall be the responsibility of the successful bidder. Failure of the municipal bond insurer to issue the policy after the Notes have been awarded to the successful bidder shall not constitute cause for failure or refusal by the successful bidder to accept delivery on the Notes.

Delivery: The Notes shall be delivered in typewritten form, one Note per maturity, to the Depository Trust Company, securities depository of the Notes for the establishment of book-entry accounts at the direction of the successful bidder, within approximately forty-five (45) days after the award. Payment at the time of delivery must be made in federal or other immediately available funds. In the event delivery is not made within sixty (60) days after the date of the sale of the Notes, the successful bidder may, prior to tender of the Notes, at its option, be relieved of its obligation under the contract to purchase the Notes and its good faith check shall be returned, but no interest shall be allowed thereon.

Legality: The successful bidder will be furnished without cost, the unqualified approving legal opinion of Griggs Law Office LLC of Milwaukee, Wisconsin. A transcript of the proceedings relative to the issuance of the Notes (including a No-litigation Certificate and a Continuing Disclosure Certificate) shall be furnished to the successful bidder without cost.

**Award Conditional: The award of the Notes will be made subject to expiration of the petition period provided for under Section 67.12(12)(e)5 of the Wisconsin Statutes, without the filing of a sufficient petition for a referendum with respect to the Notes.**

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

Establishment of Issue Price: The following shall apply to the establishment of the issue price of the Notes:

(a) The winning bidder shall assist the District in establishing the issue price of the Notes and shall execute and deliver to the District at Closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the District and Bond

Counsel. All actions to be taken by the District under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the District by the District's municipal advisor identified herein and any notice or report to be provided to the District may be provided to the District's municipal advisor.

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

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

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

(c) If all of the requirements of a "competitive sale" are not satisfied, the District shall advise the winning bidder of such fact at the time of award of the sale of the Notes to the winning bidder. *In such event, any bid submitted will not be subject to cancellation or withdrawal* and the District agrees to use the rule selected by the winning bidder on its bid form to determine the issue price of the Notes. In submitting its bid each bidder must select one of the following two rules for determining the issue price of the Notes: (1) the first price at which 10% of a maturity of the Notes (the "10% test") is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity), or (2) the initial offering price to the public as of the sale as the issue price of the Notes (the "hold-the-offering-price rule"). If the winning bidder does not exercise the hold-the-offering-price rule, the winning bidder agrees to promptly report to the District and Baird the prices at which the unsold Notes of a maturity have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to the Notes of that maturity or until all of the Notes of that maturity have been sold to the public.

(d) By submitting a bid, each bidder confirms, that in the event that all of the requirements of a "competitive sale" are not satisfied and the 10% test is selected to establish the issue price of the Notes, that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Notes of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Notes of that maturity or all

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

(e) By submitting a bid, each bidder confirms that, in the event that all of the requirements of a “competitive sale” are not satisfied and the hold-the-offering-price rule is selected to establish the issue price of the Notes: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to comply with the hold-the-offering-price rule for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such retail distribution agreement to comply with the hold-the-offering-price rule for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

(f) If all of the requirements of a “competitive sale” are not satisfied and the hold-the-offering-price rule is selected to establish the issue price of the Notes, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Notes to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Notes, that the underwriters will neither offer nor sell unsold Notes of any maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

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

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

(g) The District acknowledges that, in making the representations set forth above as to the hold-the-offering-price rule, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among

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

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

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the public),
- (iii) a purchaser of any of the Notes is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date that the Notes are awarded by the District to the winning bidder.

Official Statement: Upon the sale of the Notes, the District will publish a Final Official Statement in substantially the same form as the Preliminary Official Statement. Promptly after the sale date, but in no event later than seven business days after such date, the District will provide the successful bidder (i.e., the sole underwriter or the senior managing underwriter of the

syndicate to which the Notes are awarded) an electronic copy of the Official Statement in pdf format.

The District shall designate the successful bidder as its agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter, if any. Each underwriter executing and delivering an Official Bid Form with respect to the Notes agrees thereby that if its bid is accepted by the District (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all participating Underwriters of the Notes, if any, for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

The successful bidder agrees to supply to the District all necessary pricing information and any Participating Underwriter identification necessary to complete the Final Official Statement within 24 hours after the award of the Notes.

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

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

Information: Additional information may be obtained by addressing inquiries to: Robert W. Baird & Co., 777 East Wisconsin Avenue, 25th Floor, Milwaukee, Wisconsin 53202; Attention: Danielle Olson, (414) 298-2657.

Charlie Paulson  
Secretary-Treasurer  
Northcentral Technical College District  
1000 West Campus Drive  
Wausau, Wisconsin 54401  
(715) 675-3331

**\$13,500,000**  
**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT**  
**CLARK, LANGLADE, LINCOLN, MARATHON, MENOMINEE, PORTAGE,**  
**PRICE, SHAWANO, TAYLOR AND WAUPACA COUNTIES, WISCONSIN**  
**GENERAL OBLIGATION PROMISSORY NOTES**  
**DATED MAY 30, 2024**  
**ISSUE PRICE CERTIFICATE**

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

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

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

(b) The Underwriter was not given the opportunity to review other bids prior to submitting its bid.<sup>1</sup>

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

**2. *Defined Terms.***

(a) *Issuer* means the Northcentral Technical College District, Clark, Langlade, Lincoln, Marathon, Menominee, Portage, Price, Shawano, Taylor and Waupaca Counties, Wisconsin.

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

---

<sup>1</sup> Treas. Reg. §1.148-1(f)(3)(i)(B) requires that all bidders have an equal opportunity to bid to purchase Notes. If the bidding process affords an equal opportunity for bidders to review other bids prior to submitting their bids, then this representation should be modified to describe the bidding process.

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

(d) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Notes. The Sale Date of the Notes is May 7, 2024.

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

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Certificate With Respect to Arbitrage and Other Tax Matters and with respect to compliance with the federal income tax rules affecting the Notes, and by Griggs Law Office LLC in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose.

**[NAME OF UNDERWRITER]**

By: \_\_\_\_\_

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Title)

Dated: May 30, 2024



**SCHEDULE A**  
**EXPECTED OFFERING PRICES**  
*(Attached)*

**SCHEDULE B**  
**COPY OF UNDERWRITER'S BID**  
*(Attached)*

**BIDS TAKEN:** May 6, 2024  
**AWARD DATE:** May 7, 2024  
**BOARD MEETING TIME:** 1:00 pm (CT)

**BID FORM**  
**NORTHCENTRAL TECHNICAL COLLEGE DISTRICT, WISCONSIN**  
**\$13,500,000 General Obligation Promissory Notes**

Mr. Paul Proulx, District Chairperson  
and Members of the District Board  
Northcentral Technical College District  
1000 West Campus Drive  
Wausau, Wisconsin 54401

Dear Mr. Proulx and Members of the District Board:

For all but no part of your issue of \$13,500,000 General Obligation Promissory Notes (the "Notes") said bid being no less than \$13,500,000 (100% of par) and no more than \$14,040,000 (104% of par), we offer to pay a price of \$\_\_\_\_\_. The dated date and delivery date of the Notes is May 30, 2024. The Notes shall bear interest as follows:

September 1, 2024	_____ %	March 1, 2027	_____ %
March 1, 2025	_____ %	March 1, 2028	_____ %
March 1, 2026	_____ %	March 1, 2029	_____ %

This bid is a firm offer for the purchase of the Notes identified in the Official Notice of Sale, on the terms set forth in this bid form and the Official Notice of Sale, and is not subject to any conditions, except as permitted by the Official Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds.

YES: \_\_\_\_ NO: \_\_\_\_.

If the competitive sale requirements are not met, we elect to use either the: \_\_\_\_ 10% test, or the \_\_\_\_ hold-the-offering price rule to determine the issue price of the Notes.

**Good Faith:** A cashier's check in the amount of \$270,000 may be submitted contemporaneously with the bid or, in the alternative, a deposit in the amount of \$270,000 shall be made by the winning bidder by federal wire transfer as directed by the District Secretary/Treasurer to be received by the District no later than 1:00 p.m. prevailing Central Time on the day of the bid opening (May 6, 2024) as a guarantee of good faith on the part of the bidder to be forfeited as liquidated damages if such bid be accepted and the bidder fails to take up and pay for the Notes.

\_\_\_\_\_  
Managing Underwriter

Direct Contact and Phone Number: \_\_\_\_\_

By: \_\_\_\_\_

**- Please attach a list of account members -**

-----  
For your information, but not as a condition of this bid, the above interest rates result in:

Net Interest Cost \$\_\_\_\_\_ True Interest Rate \_\_\_\_\_ %

-----  
The foregoing offer is hereby accepted this 7<sup>th</sup> day of May, 2024 by the Members of the District Board and in recognition therefore is signed by the Officers empowered and authorized to make such acceptance.

\_\_\_\_\_  
District Chairperson

\_\_\_\_\_  
District Secretary-Treasurer