



Annual Comprehensive Financial Report

For the Fiscal Year ended June 30, 2022

Fox Valley Technical College District
1825 N. Bluemound Drive
PO Box 2277
Appleton, WI 54912-2277
1-800-735-FVTC



www.fvtc.edu

Fox Valley Technical College District Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2022

Prepared by
Financial Services Department of Fox Valley Technical College

Contact

Paula Battermann, CPA, Controller

District Board of Trustees

John Weyenberg, Chair, Additional Member

Chris VanderHeyden Vice Chair, School District Administrator

Justin Krueger, Secretary, Elected Official Member

Tammie DeVooght Blaney, Treasurer, Additional Member

Javad Ahmad, Employer Member

Margaret Kastner, Employee Member

Erik Lampe, Employer Member

Charles Spoejr Jr., Employee Member

Patricia Van Ryzin, Additional Member

College Administration

Dr. Christopher Matheny, President

Rayon Brown, Vice President for Diversity, Equity and Inclusion/Chief Diversity Officer

Elizabeth Burns, Vice President Student Success

Troy Kohl, Vice President for Information Technology/Chief Information Officer

Dr. Jennifer Lanter, Vice President Learning/Chief Academic Officer

Susan Kaufman, Vice President for Human Resources

Amy Van Straten, CPA, Vice President for Finance and Facilities/Chief Financial Officer



INTRODUCTORY SECTION

FOX VALLEY TECHNICAL COLLEGE DISTRICT

June 30, 2022

Table of Contents

Page No.

INTRODUCTORY SECTION

Table of Contents	1 - 2
Letter of Transmittal	3 - 7
Fox Valley Technical College Organizational Chart	8

FINANCIAL SECTION

Independent Auditor's Report	9 - 11
------------------------------	--------

MANAGEMENT'S DISCUSSION AND ANALYSIS	12 - 20
--------------------------------------	---------

BASIC FINANCIAL STATEMENTS

Statement of Net Position	21
---------------------------	----

Statement of Revenues, Expenses and Changes in Net Position	22
---	----

Statement of Cash Flows	23 - 24
-------------------------	---------

Notes to Financial Statements	25 - 55
-------------------------------	---------

REQUIRED SUPPLEMENTAL INFORMATION

Schedule of Changes in the District's Total OPEB Liability and Related Ratios	56
---	----

Schedule of Proportionate Share of the Net Pension (Asset) Liability – Wisconsin Retirement System	57
---	----

Schedule of Contributions - Wisconsin Retirement System	58
---	----

Notes to Required Supplemental Information	59
--	----

SUPPLEMENTARY INFORMATION

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual	60
--	----

Special Revenue Funds

Special Revenue Aidable Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual	61
--	----

Special Revenue Non-Aidable Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual	62
--	----

Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual	63
--	----

FOX VALLEY TECHNICAL COLLEGE DISTRICT

June 30, 2022

Table of Contents

Page No.

SUPPLEMENTARY INFORMATION (CONTINUED)

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual	64
--	----

Enterprise Funds

Schedule of Revenues, Expenditures and Changes in Net Position - Budget (Non-GAAP Budgetary Basis) and Actual	65
--	----

Internal Service Fund

Schedule of Revenues, Expenditures and Changes in Net Position - Budget (Non-GAAP Budgetary Basis) and Actual	66
--	----

Schedule to Reconcile Budget (Non-GAAP Budgetary) Basis Financial Statements to Basic Financial Statements	67 - 70
---	---------

STATISTICAL SECTION

Schedule of Net Position by Component – Last Ten Fiscal Years	71
Schedule of Changes in Net Position - Last Ten Fiscal Years	72
Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years	73
Equalized Value of Taxable Property - Last Ten Fiscal Years	74
Principal Property Taxpayers - Current Year and Nine Years Ago	75
Property Tax Levies and Collections - Last Ten Fiscal Years	76
Ratio of Net Debt to Equalized Valuation and Debt per Capita - Last Ten Fiscal Years	77
Direct and Overlapping Debt - As of December 31, 2021	78 - 79
Legal Debt Margin Information - Last Ten Fiscal Years	80
Demographic and Economic Statistics - Last Ten Calendar Years	81
Principal Employers - Current Year and Nine Years Prior	82
Full-time Equivalent District Employees by Employee Group - Last Ten Fiscal Years	83
Operating Statistics - Last Ten Fiscal Years	84
Campus Statistics - Last Ten Fiscal Years	85

ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR BASIC FINANCIAL STATEMENTS

Independent Auditor's 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>	86 - 87
---	---------

SINGLE AUDIT SECTION

Independent Auditor's Report on Compliance for each Major Federal and State Program and on Internal Control Over Compliance Required by Uniform Guidance and the <i>State Single Audit Guidelines</i>	88 - 90
Schedule of Expenditures of Federal Awards	91 - 94
Schedule of Expenditures of State Awards	95 – 96
Notes to the Schedules of Expenditures of Federal and State Awards	97
Schedule of Findings and Questioned Costs	98 – 100

December 20, 2022

The Citizens and Board of Trustees
of the Fox Valley Technical College District

Wisconsin State statutes require the district board of each technical college to annually authorize an audit of the district and to submit an audit report to the Wisconsin Technical College System Board no later than six months following the end of the fiscal year. The District is also required to undergo an annual single audit to conform to the provisions of the Title 2 U.S. Code of Federal Regulations 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. The Annual Comprehensive Financial Report (ACFR) for the Fox Valley Technical College District (the District) for the fiscal year ended June 30, 2022, is hereby submitted in fulfillment of those requirements. Responsibility for the contents and presentation of this report rests with the District's management.

The District has administrative responsibility for establishing and maintaining an internal control structure to ensure that the District's assets are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Wipfli LLP conducted an independent audit of the basic financial statements of the Fox Valley Technical College District as of and for the year ended June 30, 2022. The statements are the responsibility of the District's administration. As independent certified public accountants, Wipfli's role is to express an opinion on the basic financial statements. The audit provides a reasonable basis for financial statement users to rely on the information presented in the financial statements. Wipfli also, in accordance with Government Auditing Standards, issued a report on compliance and on internal control over financial reporting.

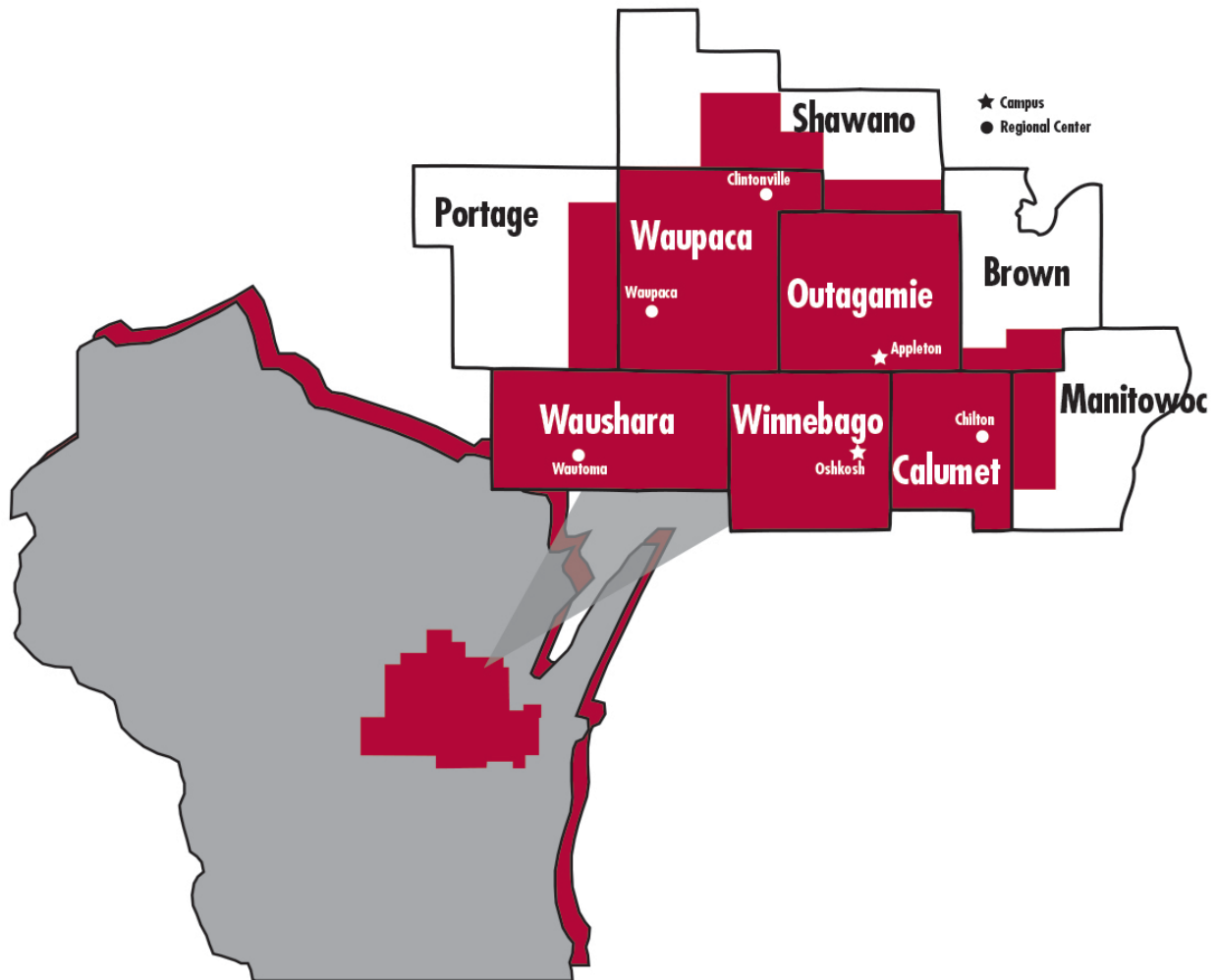
The management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE

The District, formerly known as Fox Valley Vocational, Technical and Adult Education District, was established in 1967. As reflected on the map below, the District is comprised of five counties—Calumet, Outagamie, Waupaca, Waushara, and Winnebago, as well as portions of Brown, Manitowoc, Portage and Shawano counties. The District's major population centers are located along the Fox River and together form the third largest metropolitan area in Wisconsin.

Approximately 490,000 people live in the counties and portions of counties served by the District, using population data from the Wisconsin Department of Administration (DOA) 2020 Population Estimates. Twenty-eight K-12 districts and thirty-six public and private high schools are located within the District's boundaries. The District serves approximately 50,000 people annually.

Fox Valley Technical College is affiliated with the Fox Valley Technical College Foundation, Inc., a not-for-profit corporation, whose mission is to be the District's partner in cultivating community relationships and philanthropic support that enhance the mission and vision of the District. For more discussion around this relationship, refer to Note A in the Notes to Basic Financial Statements.



Our Mission is to:

Provide relevant technical education and training to support student goals, a skilled workforce, and the economic vitality of our communities.

Our Vision is to be:

A catalyst in engaging partners to bring innovative educational solutions to individuals, employers, and communities – transforming challenges into opportunities.

Core Values

Our core values represent the desired educational environment and guide the development of institutional policies and practices. The FVTC community affirms the following values:

Collaborative Partnerships — We value partnerships with business, industry, labor, government, educational systems, and our communities.

Continuous Improvement — We value continuous improvement of our programs, services and processes through employee empowerment and professional development in a team-based culture.

Culture of Caring and Belonging — We value a College culture that fosters caring, empathy, and understanding in a respectful, professional environment.

Customer Focus — We value our internal and external customers and actively work to meet their needs.

Diversity, Equity and Inclusion — We value an environment that attracts and supports a diverse educational community that fosters global awareness.

Innovation — We value creativity, responsible risk-taking, and enthusiastic pursuit of new ideas.

Integrity — We value responsible, accountable, ethical behavior in an atmosphere of honest, open communication and with mutual respect.

Sustainability — We value the responsible use of resources to achieve balance among social, economic, and environmental practices.

Strategic Directions & College Priorities

The 2022-25 Strategic Plan was approved by the District Board of Trustees in June 2022. Four focus areas will guide the work of the District through 2025: Focus on our Students, Focus on our Teams and Organization, Focus on our Regional Employers, and Focus on our K-12 and Community Partners. Key strategies and success measures have been identified for each focus area. Annual college priorities have been developed for each focus area to support the long-term achievement of the success measures. Mid-year progress and annual results are monitored by District administration and the Board of Trustees.

Budgetary Process and Control

The District's accounting system provides for budgetary control of revenues and expenditures which establishes a direct relationship between the financial budget and accounting reports. Activities of the general, special revenue aidable, special revenue non-aidable, debt service, capital project, enterprise, and internal service funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by fund and function. The District also maintains an encumbrance accounting system to enhance budgetary control.

The District delegates budgetary responsibility to the managers of various departments and divisions. The District Board reviews the proposed budget for consistency with the District's strategic plan. A public hearing on the proposed District budget is held annually in June, and the board adopts the final budget subsequent to the public hearing. There is ongoing review of the budget plan by the District administration and Board of Trustees.

FINANCIAL CONDITION

Local Economy

The District functions in a region known for its cultural, educational, recreational, and retail services. The Fox Cities provide a wealth of community services in a low crime environment, with amenities that contribute to an overall high quality of life. With large employers in the paper, specialty trucks, health care, and financial services industries, the local economy is driven by a blend of manufacturing and service providers.

State and National Economy

Economic conditions present additional challenges and concerns that the District has identified:

- The District operates under a state imposed tax levy limit which restricts growth in the operating levy to the value of net new construction.
- Over the past several years, a significant portion of funding for technical colleges has shifted from local to state support. While state legislation includes a mechanism to restore this levy authority if state funding is reduced in subsequent years, administration is cognizant of the negative image such a subsequent levy increase would have.
- While District enrollment is slowly increasing after several years of decline, growth is slow and annual state-set tuition increases have been very modest.
- High inflation is resulting in significant increases to operating costs that cannot be offset by the relatively flat revenue described above.

District administration and the Board of Trustees remain cognizant of all these factors when planning for the District's future.

Additional Information

Please refer to Management's Discussion & Analysis as well as the Notes to Basic Financial Statements for additional information about the District's financial condition.

ACKNOWLEDGMENT

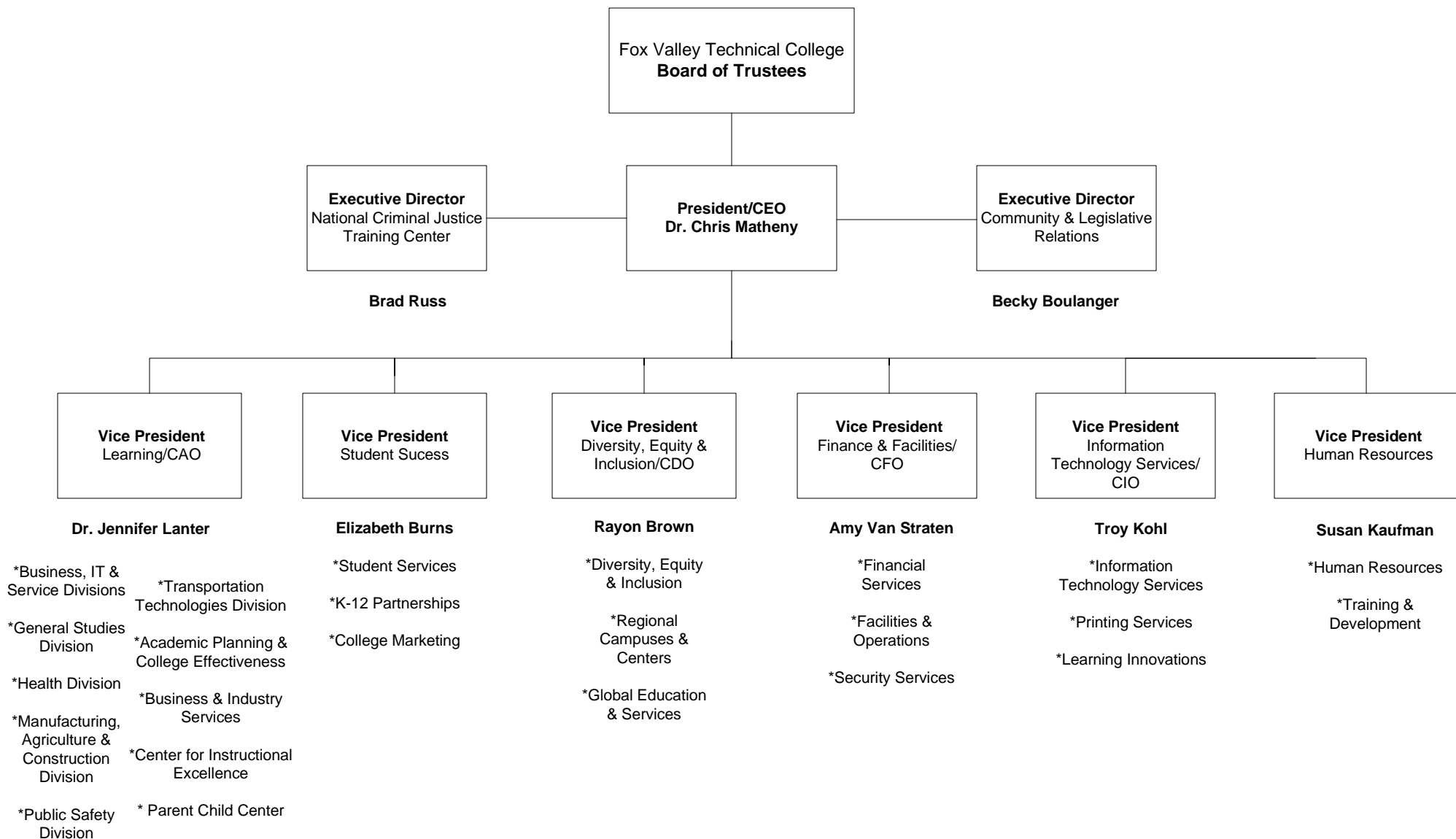
We express our appreciation to the Financial Services staff for their significant investment of time and resources in the preparation of this report. In addition, we thank the District Board of Trustees for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,

Dr. Christopher Matheny
President

Amy Van Straten, CPA
Vice President for Financial Services/Chief Financial Officer

Fox Valley Technical College Organizational Chart



FINANCIAL SECTION



Independent Auditor's Report

To the Board of Trustees
Fox Valley Technical College District
Appleton, Wisconsin

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of the Fox Valley Technical College District (the "District"), as of and for the year ended June 30, 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 the discretely presented component unit of the Fox Valley Technical College District, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States (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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Fox Valley Technical District Foundation, Inc., a discretely presented component unit of the District were not audited in accordance with Government Auditing Standards.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 schedule of changes in the District's total OPEB liability and related ratios, and the schedules of proportionate share of the net pension liability (asset) and contributions – Wisconsin Retirement System, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Financial 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 listed in the table of contents as supplementary information and schedules of expenditures of federal awards and state financial assistance 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, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the budgetary comparison schedules and the schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements 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 auditor's 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.

Report on Summarized Financial Information

We have previously audited the District's 2021 financial statements, and we expressed an unmodified opinion on those financial statements in our report dated December 21, 2021. In our opinion, the comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2022, 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.

Wipfli LLP



December 20, 2022
Madison, Wisconsin

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The purpose of Management's Discussion and Analysis (MD&A) is to provide users of the basic financial statements with a narrative introduction, overview, and analysis of those statements. The MD&A provides summary level financial information; therefore, it should be read in conjunction with the accompanying financial statements.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Fox Valley Technical College District's (the District) basic financial statements. The statements are comprised of two components: government-wide financial statements and notes to basic financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

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

The *statement of net position* presents information on all of the District's assets and liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of revenues, expenses and changes in net position* presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or non-operating. In general, a public college such as the District will report an operating deficit or loss, as the financial reporting model classifies state appropriations and property taxes as non-operating revenues. The utilization of capital assets is reflected in the financial statements as depreciation and amortization, which amortizes the cost of an asset over its expected useful life.

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

Notes to basic financial statements--The notes provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements. The *notes to basic financial statements* are located after the government-wide financial statements in the financial section of the Annual Financial Report (AFR).

Other information--In addition to the basic financial statements and accompanying notes, this report also presents *required supplemental information* concerning the District's progress in funding its obligation to provide pension benefits and other post-employment benefits (OPEB) to its employees. The *required supplemental information* is located after the notes to basic financial statements in the financial section of the Annual Financial Report (AFR).

On July 1, 2021, the District implemented GASB Statement No. 87, Leases. This guidance enhances the relevance and consistency of reporting for the District's leasing activities by establishing requirements for lease accounting based on the principle that leases are financing of underlying right-to-use assets. The lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. There was no impact on the beginning net position or fund balance as a result of this statement. For additional information see Notes C and D in the Notes to the Basic Financial Statements.

The following is a summary of the various components of the Statement of Net Position:

	2022	Restated 2021	\$	%	2020
ASSETS					
Cash and investments	\$25,099	\$24,241	\$859	3.5%	\$28,477
Net capital assets	154,393	152,451	1,942	1.3%	144,537
Other assets	90,200	81,581	8,619	10.6%	61,159
Total assets	269,692	258,273	11,419	4.4%	234,172
Deferred Outflows of Resources	61,852	41,629	20,223	48.6%	30,148
LIABILITIES					
Current liabilities	32,417	31,243	1,174	3.8%	33,469
Long-term liabilities	79,328	80,644	(1,317)	-1.6%	75,451
Total liabilities	111,745	111,887	(143)	-0.1%	108,920
Deferred Inflows of Resources	78,889	57,154	21,735	38.0%	41,862
NET POSITION					
Net investment in capital assets	76,518	72,571	3,948	5.4%	68,817
Restricted for:					
Debt service	18,244	17,358	887	5.1%	16,911
Net pension asset	14,438	6,959	7,479	107.5%	-
Unrestricted	31,711	33,974	(2,263)	-6.7%	27,809
Total net position	\$140,911	\$130,861	\$10,050	7.7%	\$113,537

* Numbers may not foot perfectly due to rounding to the nearest thousand

From 2021 to 2022, total assets increased by \$11.4 million, or 4.4%. Significant changes are as follows:

- ❖ Other assets increased \$8.6 million, or 10.6%. There are several factors that contributed to this net change:
 - The District's net share of the Wisconsin Retirement System (WRS) net pension asset increased by \$6.9 million, or 27.0%. The increase is primarily attributable to gains on investments due to more favorable market returns in 2021 compared to 2020. For additional information on the calculation of this net asset, see Note F in Notes to Basic Financial Statements.
 - Restricted cash and investments increased by \$9.3 million, or 40%. The majority of these funds have been encumbered for projects that are underway at year end. The post-pandemic economy continues to impact project timelines, causing higher costs and delays.
 - Offsetting the above, general receivables, which include contract and grant receivables, decreased by \$7.1 million. A portion of this decrease is due to the recording of grants receivable in the prior year due to the American Rescue Plan Act (ARPA) signed into law on March 11, 2021, and the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) signed into law December 27, 2020. These grants provided for lost revenue and institutional expenses related to the Coronavirus pandemic of \$4.1 million and \$3.2 million, respectively.

Deferred outflows of resources increased by \$20.2 million, or 48.6%. Three items are classified in this category: pension benefits, other post-employment benefits (OPEB) and loss on bond refunding.

- ❖ The change related to pension benefits and other post-employment benefits (OPEB) is attributable to the net difference between projected versus actual earnings on investments, primarily the result of higher market returns in 2021 compared to 2020, in addition to contributions made subsequent to the measurement date of each. The pension fund accounts for \$20.5 million of the net change. For additional information, see Notes F and G in the Notes to Basic Financial Statements.

From 2021 to 2022, total liabilities decreased by \$143,000 or 0.1%. Although not significant, several offsetting changes contributed to this net change:

- ❖ Unearned student fees increased by \$892,000.
- ❖ The current portion of long-term liabilities increased by \$1.2 million, primarily due to the restatement of 2021 liabilities for the implementation of GASB 87 – Leases. For additional information, see Note E in the Notes to Basic Financial Statements.
- ❖ Debt issued in the current year exceeded the principal payments made \$2.5 million, resulting in an increase in total debt outstanding.
- ❖ The total OPEB liability decreased by \$2.1 million. For additional information, see Note G in the Notes to Basic Financial Statements.
- ❖ Long-term lease obligations decreased by \$1.7 million. Note the prior year liability for lease obligations was restated due to the implementation of GASB 87- Leases. See Note E in the Notes to Basic Financial Statements.

Deferred inflows of resources increased by \$21.7 million, or 38.0%. This amount represents an additional pension liability and OPEB liability of \$20.2 million and \$1.5 million, respectively, as of the measurement date, including investment gains that have not yet been recognized in the annual expense and changes in assumptions and differences between projected and actual experience. This amount will be amortized on an annual basis. For additional information, see Notes F and G in the Notes to Basic Financial Statements.

From 2021 to 2022 total net position increased by \$10.1 million, or 7.7%.

- ❖ The largest portion of the District's net position (54.3%) reflects its investment in capital assets (land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The net increase of \$3.9 million was primarily due to a \$1.9 million net increase in capital assets currently under construction (noted as construction in progress) and a decrease of \$1.9 million of related debt.
- ❖ Restricted net position for net pension asset increased by \$7.5 million. This was primarily a result of returns on investments due to favorable market conditions. For additional information see Note F in the Notes to Basic Financial Statements.
- ❖ Unrestricted position decreased \$2.3 million, details of which are further described below.

Condensed Comparative Data and Overall Analysis

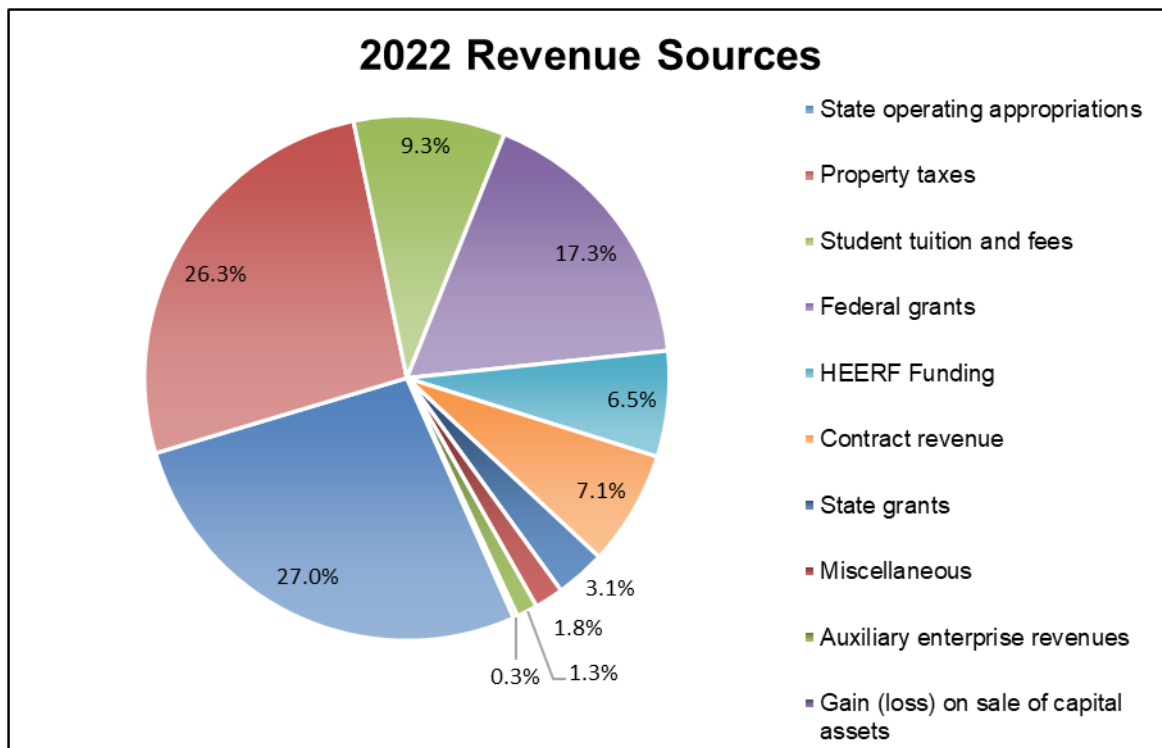
The following is a summary of the various components of the Statement of Revenues, Expenses and Changes in Net Position:

	2022	2021	Increase or (Decrease)		2020
			\$	%	
Operating Revenues:					
Student tuition and fees	\$14,370	\$13,910	\$460	3.3%	\$13,713
Federal grants	26,600	25,773	827	3.2%	28,029
State grants	4,745	4,302	443	10.3%	5,055
Contract revenue	10,905	10,320	585	5.7%	10,440
Auxiliary enterprise revenues	1,991	1,944	47	2.4%	2,849
Miscellaneous	2,728	2,626	103	3.9%	2,925
Total operating revenues	\$61,339	\$58,874	\$2,464	4.2%	\$63,010

* Numbers may not foot perfectly due to rounding to the nearest thousand

Operating revenues are the charges for services offered by the District. During 2022, the District generated \$61.3 million in operating revenue. This is an increase of \$2.5 million, or 4.2%, from 2021. Although nothing of significance is noted here, federal and state grant activity varies from year to year based on program funding.

The graph below summarizes the District's 2022 operating and non-operating revenue sources with the legend sorted by significance:



	2022	2021	Increase or (Decrease)		2020
			\$	%	
Operating Expenses:					
Instruction	\$75,228	\$74,074	\$1,154	1.6%	\$82,117
Instructional resources	751	694	56	8.1%	1,121
Student services	10,416	8,628	1,788	20.7%	9,822
General institutional	19,530	19,314	217	1.1%	20,203
Physical plant	6,810	6,014	796	13.2%	6,788
Auxiliary enterprise services	2,298	2,141	157	7.4%	3,630
Depreciation and amortization	13,637	12,079	1,558	12.9%	11,577
Student aid	14,851	12,109	2,742	22.6%	11,458
Total operating expenses	\$143,522	\$135,053	\$8,469	6.3%	\$146,715

* Numbers may not foot perfectly due to rounding to the nearest thousand

Operating expenses are costs related to offering the programs of the District. From 2021 to 2022, total operating expenses increased \$8.5 million, or 6.3%. The following variances were noted:

- ❖ Student Services increased by \$1.8 million, or 20.7%. This net increase was the result of the following:
 - In March 2021, the American Rescue Plan (ARP) Act was signed into law. In the fiscal year ending June 30, 2022, \$6.1 million of funds from this grant was awarded directly to students, an increase of \$5.9 million over the prior year. ARP funds were also used to discharge \$1.0 million in eligible student debt.
 - Conversely, two other rounds of pandemic-related grant funding were spent in the prior year: the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and the Coronavirus Aid, Relief, and Economic Security Act (CARES). The amount spent on Student Services from these two grants in 2021 were \$1.5 million and \$955,000, respectively.
 - Student loans decreased by \$959,000.
 - The changes above resulted in a decrease in scholarship allowances allocated against tuition income of \$2.2 million.
- ❖ Depreciation and amortization increased \$1.6 million, or 12.9%, due to the implementation of GASB 87 - Leases. Instead of rental expense, the District is recognizing a right to use asset and lease liability. The right to use assets will be depreciated (or amortized) in a systematic and rational manner. For additional information, see Notes C and E in the Notes to Basic Financial Statements.
- ❖ Student aid increased \$2.7 million, or 22.6%. Student aid expense is based on a calculation from the National Association of College and University Business Officers (NACUBO) to determine scholarship allowances and institutional aid from any source paid out to the student to cover living expenses.

	2022	2021	Increase or (Decrease)		2020
			\$	%	
Non-Operating Revenues:					
Property taxes	\$40,591	\$41,921	(\$1,330)	-3.2%	\$41,001
State operating appropriations	41,644	39,814	1,830	4.6%	39,863
HEERF Funding	10,027	12,209	(2,182)	-17.9%	1,390
Gain (loss) on sale of capital assets	401	110	291	-264.9%	494
Investment income earned	(158)	93	(252)	-270.2%	1,077
Subtotal of Non-Operating Revenues	92,505	94,147	(1,642)	-1.7%	83,825
Non-Operating Expenses:					
Interest expense	707	550	157	28.5%	1,686
Debt issuance costs	265	490	(225)	-46.0%	178
Subtotal of Non-Operating Expenses	972	1,040	(69)	-6.6%	1,863
Total Non-Operating Revenues (Expenses)	\$91,533	\$93,106	(\$1,574)	-1.7%	\$81,962

* Numbers may not foot perfectly due to rounding to the nearest thousand

Non-operating revenues and expenses are not directly related to the operations of the District. Total non-operating revenues (expenses) decreased \$1.6 million, or 1.7%, from 2021 to 2022. Notable items listed below:

- ❖ The state's 2021-23 biennial budget includes a provision to increase property tax relief aid to technical colleges. In turn, the colleges must reduce their total operating levy by the same amount. As a result of this funding shift, the District's state aid increased \$2.1 million for 2022 while the operating levy decreased by the same amount.
- ❖ The \$2.2 million decrease in Higher Education Emergency Relief Fund (HEERF) Funding reflects the ending of federal funds that the District received to provide financial aid to students and cover institutional expenses and revenue losses related to the COVID-19 pandemic.

Budget Variances in the General Fund

2022	Original Budget	Final Amended Budget	Actual (Budgetary Basis)	Increase or (Decrease) From Budget
Total revenues	\$84,394	\$84,488	\$83,608	(\$880)
Total expenditures	88,199	87,193	83,541	(3,652)
Other financing sources (uses)	2,795	1,793	(167)	(1,960)
Excess (deficiency)	(\$1,010)	(\$912)	(\$100)	\$812

* Numbers may not foot perfectly due to rounding to the nearest thousand

There was one extraordinary adjustment to the original 2022 budget which impacted both Total Expenditures and Other Financing Sources (Uses):

- ❖ The General Fund budget was amended by \$1 million to implement changes to lease accounting as prescribed by GASB Statement 87. Total Expenditures were reduced by \$1 million and Other Financing Uses increased by \$1 million.

When comparing the final amended budget to actual results (on a budgetary basis), the following should be noted:

- ❖ Program (tuition) fees were \$374,000 less than budget. Although total District enrollments increased 1.3% in 2022, fee-paying enrollments in the general fund declined.
- ❖ Investment income was \$349,000 less than budget.
- ❖ Total salaries and fringe benefits were under budget by \$2.4 million.
 - Managerial salaries and support staff salaries were under budget by \$777,000 and \$722,000 respectively. This was due to higher-than-usual staff turnover, hiring delays and a challenging labor market.
 - Total Fringe Benefits were under budget by \$770,000 primarily due to temporary vacancies.
- ❖ Total non-salary expenditures were under budget by \$1.2 million.
 - The contingency budget of \$946,000 was unspent.
 - Travel expenditures were under budget because most employees worked from home (virtually), with no need to travel between campuses. Meetings and professional development, also conducted virtually, were less expensive than in-person (\$517,000).
 - Utilities expenditures were under budget by \$394,000 because on-campus activity was much lower due to the pandemic.
 - Contracted services expenditures were under budget by \$324,000 due to greatly reduced on-campus activity.
- ❖ Other financing sources were under budget by \$2.0 million.
 - The Health and Dental Fund contribution to the general fund was \$2.1 million under budget. The Health and Dental Fund is an internal service fund and its reserves are strategically managed to allow future flexibility.

The factors listed above led to actual results that were \$812,000 better than budget.

Capital assets and long-term debt activity

The District's investment in capital assets as of June 30, 2022 was \$154.4 million (net of accumulated depreciation and amortization). This investment in capital assets includes land, land improvements, buildings and building improvements, intangible assets, equipment, and construction in progress.

Notable additions for the current year:

- ❖ *Cloud ERP System Implementation for Finance and Human Resources:* Enterprise resource planning (ERP) refers to the type of software or platform that organizations use to manage day-to-day business activities such as accounting, procurement, project management, risk management and compliance and supply chain operations. These types of applications allow users to interact within a single interface, share information and enable cross-functional collaboration, increase productivity and efficiency. The project team worked over the past year preparing the setups, training themselves and others for the successful go live of the Workday ERP system on July 1, 2022.
- ❖ *Oshkosh Surgical Technology Remodel.* This program was added to the District's offerings at the Oshkosh Riverside Campus. The remodel project provided the needed space to accommodate operating simulation rooms, materials management and sterile equipment storage rooms, classroom, and a debriefing room.
- ❖ *Electro-Mechanical Lab Remodel.* The current lab at the Appleton Campus was last updated in 1999. This project modernized and improved the efficiency of the space, increased student capacity, and provided more hallway visibility to the lab's high-tech equipment
- ❖ *Equipment additions:* CNC Router, New Holland T1.19 Sidewinder and CASE IH Maxum 145 CVX.

In addition, construction has begun on the following projects that will be completed next year:

- ❖ *Oshkosh Science Labs Remodel.* The 2019 Oshkosh Riverside Space Study identified the opportunity to offer science classes in Oshkosh. The science lab remodel will complement the Surgical Technology, Health Information Technology and Nursing programs. Lab based science courses available at the Riverside Campus will benefit students in the General Studies transfer program with UW-Oshkosh and UW-Green Bay and those living in the Oshkosh area. Three existing classrooms will be converted into a Biology/Micro-Biology classroom, a Chemistry/Anatomy and Physiology classroom, a cadaver lab, and a lab preparation room. The project also includes funds for an autoclave and necessary equipment to furnish the labs.
- ❖ *Oshkosh Medical Assistant and Nursing Lab Remodel.* The existing labs are being updated to reflect state-of-the-art healthcare facilities in our District and to attract more health program students to the Riverside Campus. This project also includes funds to furnish the labs with the necessary equipment.

The District is also continuing their ERP journey by implementing the Student portion of the Cloud ERP System. This project is slated to take place over three years which will result in a single system for Human Resources, Finance and Student Administration to streamline business processes and provide secure, real-time information to improve decision making. The Workday Student system will manage student information and processes and improve the student experience through consistent easy to use processes. The Student ERP project began in April 2022 with multiple moves to production based on the student-life cycle milestones with the final move to production in September 2024. The District is contracting directly with Workday Professional Services for the project implementation.

Additional information on the District's capital assets can be found in Note C in Notes to Basic Financial Statements.

The District's long-term debt obligations consist of bonds, promissory notes and capital leases. The bonds and promissory notes were issued to finance building construction, building remodeling and improvements, and the purchase of equipment and furniture. The District maintains a Aaa rating from Moody's Investors Service for its general obligation debt. This rating designates the District as having the least amount of credit risk in comparison to other debt. As quoted from Moody's Investors Service last report:

"The Aaa rating reflects the district's very large, diverse tax base and healthy reserves. The district's strong management and conservative budgeting continues to drive maintenance of healthy finances despite a longer-term declining enrollment trend and limits on raising revenue. The rating also incorporates the district's low debt burden, moderate pension burden and low fixed costs."

Wisconsin state statutes limit the amount of aggregate and bonded indebtedness that the District can incur. The amount of debt outstanding for the District falls well below these thresholds, the calculation of which can be found in Note D in Notes to Basic Financial Statements. Note D also contains additional information on the District's long-term debt.

Other potentially significant matters

A complex mix of trends—changing demographics, an acceleration of baby boomer retirements, technological change, and lingering challenges associated with the pandemic--has resulted in the tightest labor market of modern times. In an environment where revenue is essentially flat, this impacts the ability of the District to attract and competitively compensate employees.

A tight labor market also affects the employers in our District, who are clamoring for skilled employees. This trend has been coupled with a nationwide trend of decreased enrollment in community colleges. The future prosperity of our region depends on access to skilled workers, and therefore the need for the District to produce graduates has never been greater.

Requests for Information

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Vice President for Financial Services/Chief Financial Officer, 1825 N. Bluemound Drive, P.O. Box 2277, Appleton, WI 54912-2277.

BASIC FINANCIAL STATEMENTS

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Statement of Net Position

June 30, 2022

With Comparative Amounts as of June 30, 2021

	2022		2021 - Restated	
	District	Foundation	District	Foundation
ASSETS				
Current Assets				
Cash and investments	\$ 25,099,365	\$ 17,095,502	\$ 24,240,549	\$ 19,019,082
Receivables				
Accounts	5,500,110	819	12,560,020	20,999
Property taxes	9,204,887	-	9,657,814	-
Federal and state aid	209,312	-	267,590	-
Student fees, net	9,044,086	-	9,130,331	-
Interest	48,330	-	15,992	-
Unconditional promises to give	-	79,283	-	408,785
Inventories	211,326	-	227,734	-
Prepaid items	1,072,564	-	989,411	-
Property held for investment	-	536,140	-	396,236
Total Current Assets	50,389,980	17,711,744	57,089,441	19,845,102
Noncurrent Assets				
Restricted cash and investments	32,638,595	-	23,325,067	-
Net pension asset	32,271,110	-	25,407,453	-
Unconditional promises to give	-	2,269	-	9,995
Capital assets				
Non-depreciable	6,210,024	841,204	4,297,873	841,204
Depreciable	148,182,648	3,763,657	148,153,033	3,913,633
Total Noncurrent Assets	219,302,377	4,607,130	201,183,426	4,764,832
TOTAL ASSETS	269,692,357	22,318,874	258,272,867	24,609,934
DEFERRED OUTFLOWS OF RESOURCES				
Loss on refunding	519,606	-	606,207	-
Deferred outflows related to pension/OPEB	61,332,750	-	41,023,184	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	61,852,356	-	41,629,391	-
LIABILITIES				
Current Liabilities				
Accounts payable	1,572,218	510,573	1,840,796	647,929
Accrued payroll, payroll taxes and retirement	2,736,583	-	3,045,264	-
Accrued vacation	1,184,516	-	1,268,063	-
Accrued health and dental claims	55,000	-	46,000	-
Accrued interest	149,148	-	142,117	-
Unearned student fees	9,349,696	-	8,457,672	-
Other unearned revenue	396,242	-	557,354	-
Due to other organizations	291,483	-	312,626	-
Current portion of long-term liabilities	16,681,965	-	15,572,972	-
Total Current Liabilities	32,416,851	510,573	31,242,864	647,929
Long-term Liabilities				
Bonds and notes payable	63,590,000	-	61,170,000	-
Debt premium	3,167,317	-	3,113,575	-
Total OPEB liability	5,259,462	-	7,385,328	-
Lease obligations	7,310,882	-	8,975,332	-
Total Long-term Liabilities	79,327,661	-	80,644,235	-
TOTAL LIABILITIES	111,744,512	510,573	111,887,099	647,929
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pension/OPEB	78,888,846	-	57,154,127	-
NET POSITION				
Net investment in capital assets	76,518,135	4,604,861	72,570,558	4,754,837
Restricted for debt service	18,244,026	-	17,357,508	-
Restricted for net pension asset	14,437,962	-	6,959,065	-
Restricted for scholarships and other activities	-	8,089,589	-	7,028,110
Unrestricted	31,711,232	9,113,851	33,973,901	12,179,058
TOTAL NET POSITION	\$ 140,911,355	\$ 21,808,301	\$ 130,861,032	\$ 23,962,005

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

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2022
With Comparative Amounts for the Year Ended June 30, 2021

	2022		2021 - Restated	
	District	Foundation	District	Foundation
Operating Revenues				
Student program fees, net of scholarship allowances of \$5,809,826 and \$6,966,755 for 2021 and 2020	\$ 11,043,411	\$ -	\$ 10,653,990	\$ -
Student material fees, net of scholarship allowances of \$346,201 and \$447,979 for 2021 and 2020	660,624	-	634,864	-
Other student fees, net of scholarship allowances of \$1,429,296 and \$1,704,861 for 2021 and 2020	2,666,069	-	2,621,044	-
Federal grants	26,600,067	-	25,772,840	-
State grants	4,744,800	-	4,301,890	-
Contract revenue	10,904,894	-	10,319,962	-
Auxiliary enterprise revenues	1,990,849	-	1,944,261	-
Miscellaneous	2,728,151	4,104,362	2,625,630	3,946,795
Total Operating Revenues	61,338,865	4,104,362	58,874,481	3,946,795
Operating Expenses				
Instruction	75,228,491	-	74,074,088	-
Instructional resources	750,730	-	694,261	-
Student services	10,416,353	-	8,627,875	-
General institutional	19,530,268	3,913,642	19,313,716	2,823,942
Physical plant	6,810,130	-	6,014,476	-
Auxiliary enterprise services	2,298,054	-	2,140,675	-
Depreciation and amortization	13,637,257	149,976	12,078,966	149,976
Student aid	14,850,583	-	12,108,900	-
Total Operating Expenses	143,521,866	4,063,618	135,052,957	2,973,918
Operating Income (Loss)	(82,183,001)	40,744	(76,178,476)	972,877
Nonoperating Revenues (Expenses)				
Property taxes	40,590,911	-	41,921,027	-
State operating appropriations	41,643,938	-	39,813,505	-
HEERF funding	10,027,414	-	12,209,329	-
Gain (loss) on sale of capital assets	400,822	-	109,841	-
Investment income earned	(158,442)	(2,194,448)	93,088	3,159,789
Interest expense	(707,073)	-	(550,327)	(8,365)
Bond issuance costs	(264,805)	-	(490,093)	-
Total Nonoperating Revenues (Expenses)	91,532,765	(2,194,448)	93,106,370	3,151,424
Income before Capital Contributions	9,349,764	(2,153,704)	16,927,894	4,124,301
Capital Contributions	700,559	-	395,793	-
Change in Net Position	10,050,323	(2,153,704)	17,323,687	4,124,301
Net Position - July 1	130,861,032	23,962,005	113,537,345	19,837,704
Net Position - June 30	\$ 140,911,355	\$ 21,808,301	\$ 130,861,032	\$ 23,962,005

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

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Statement of Cash Flows
For the Year Ended June 30, 2022
With Comparative Amounts for the Year Ended June 30, 2021

	2022		2021 - Restated	
	District	Foundation	District	Foundation
Cash Flows from Operating Activities				
Tuition and fees received	\$ 15,348,373	\$ -	\$ 14,034,884	\$ -
Federal and state grants received	31,242,033	-	29,535,392	-
Contract revenue received	17,526,434	-	3,067,726	-
Auxiliary enterprise revenues received	1,990,849	-	1,944,261	-
Other receipts	2,728,151	4,418,334	2,625,630	3,648,269
Payments to employees	(94,234,064)	-	(95,364,663)	-
Payments to suppliers	(43,516,239)	(4,050,998)	(35,240,748)	(2,735,475)
Net Cash From Operating Activities	(68,914,463)	367,336	(79,397,518)	912,794
Cash Flows from Noncapital Financing Activities				
Local property taxes received	41,043,838	-	42,420,016	-
State appropriations received	41,643,938	-	39,813,505	-
CARES Act funding received	10,027,414	-	12,209,329	-
Net Cash From Noncapital Financing Activities	92,715,190	-	94,442,850	-
Cash Flows from Capital and Related Financing Activities				
Purchases of capital assets	(14,885,219)	-	(11,352,662)	-
Proceeds from disposal of capital assets	407,577	-	53,335	-
Proceeds from disposition in property held for investment	-	325,000	-	250,000
Expenditures on property held for investment	-	(421,468)	-	(318,402)
Issuance of capital debt	18,000,000	-	38,220,000	-
Premium received on debt issuance	1,190,887	-	589,656	-
Debt issuance costs paid	(264,805)	-	(490,093)	-
Principal paid on capital debt	(16,135,457)	-	(39,708,211)	(272,795)
Interest paid on capital debt	(1,750,586)	-	(3,592,341)	(8,365)
Net Cash From Capital and Related Financing Activities	(13,437,603)	(96,468)	(16,280,316)	(349,562)
Cash Flows from Investing Activities				
Sales of long-term investments	56,964,721	5,687,995	44,217,709	2,125,760
Purchase of long-term investments	(59,993,842)	(5,938,294)	(41,025,780)	(2,376,585)
Investment income received	(190,780)	271,530	157,551	275,109
Net Cash From Investing Activities	(3,219,901)	21,231	3,349,480	24,284
Change in Cash and Cash Equivalents	7,143,223	292,099	2,114,496	587,516
Cash and Cash Equivalents - July 1	27,953,476	3,981,079	25,838,980	3,393,563
Cash and Cash Equivalents - June 30	<u>\$ 35,096,699</u>	<u>\$ 4,273,178</u>	<u>\$ 27,953,476</u>	<u>\$ 3,981,079</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position				
Cash and investments in current assets	\$ 25,099,365	\$ 17,095,502	\$ 24,240,549	\$ 19,019,082
Cash and investments in restricted assets	32,638,595	-	23,325,067	-
Less: investments	(22,641,261)	(12,822,324)	(19,612,140)	(15,038,003)
Cash and Cash Equivalents - June 30	<u>\$ 35,096,699</u>	<u>\$ 4,273,178</u>	<u>\$ 27,953,476</u>	<u>\$ 3,981,079</u>
Noncash Investing, Capital and Financing Activities				
Capital assets purchased by issuance of capital leases and contributions	<u>\$ 700,559</u>	<u>\$ -</u>	<u>\$ 821,476</u>	<u>\$ -</u>

(Continued)

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Statement of Cash Flows (Continued)
For the Year Ended June 30, 2022
With Comparative Amounts for the Year Ended June 30, 2021

	2022		2021 - Restated	
	District	Foundation	District	Foundation
Reconciliation of Operating Income (Loss) to Net Cash				
From Operating Activities				
Operating income (loss)	\$ (82,183,001)	\$ 40,744	\$ (76,178,476)	\$ 972,877
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation and amortization	13,637,257	149,976	12,078,966	149,976
Bad debt expense	-	1,678	-	1,748
(Gain) loss on sale of property held for investment	-	(43,436)	-	10,622
Changes in assets and liabilities				
Receivables				
Accounts	7,059,910	20,180	(6,059,089)	12,951
Federal and state aid	58,278	-	33,971	-
Student fees	86,245	-	259,840	-
Unconditional promises to give	-	335,550	-	(323,847)
Inventories	16,408	-	(18,934)	-
Prepaid items	(83,153)	-	(48,799)	-
OPEB liability	(2,125,866)	-	242,360	-
Pension related items	(5,438,504)	-	(7,577,910)	-
Accounts payable	(268,578)	(137,356)	875,542	88,467
Accrued payroll, payroll taxes, retirement and vacation	(392,228)	-	(2,342,858)	-
Accrued health and dental claims	9,000	-	(8,000)	-
Unearned student fees	892,024	-	(134,854)	-
Other unearned revenue	(161,112)	-	(573,309)	-
Due to other organizations	(21,143)	-	54,032	-
Net Cash From Operating Activities	<u>\$ (68,914,463)</u>	<u>\$ 367,336</u>	<u>\$ (79,397,518)</u>	<u>\$ 912,794</u>

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

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fox Valley Technical College District (District) is organized under state legislation enacted in 1911 establishing vocational, technical and adult education. The goals of the District are to train people for employment in a system flexible enough to meet the needs of the community, with programs offered on a part-time, full-time, day, evening and virtual basis. The District operates two full-time schools with the major campus being located in Appleton and a branch campus in Oshkosh plus several training centers that provide degree and diploma offerings as well as specialized/customized training programs. The District also offers instruction and services in four regional centers and more than forty outreach locations servicing virtually every community encompassing more than five counties.

The basic financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units as well as those prescribed by the Wisconsin Technical College System Board (WTCSB). 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:

1. Reporting Entity

The District Board oversees the operations of what is generally referred to as the Fox Valley Technical College (FVTC) under the provisions of Chapter 38 of the Wisconsin Statutes.

The District is comprised of five counties - Outagamie, Waupaca, Waushara, Winnebago and Calumet, plus parts of other counties which are contiguous. The Board consists of nine members appointed by the presidents of school boards in the service area. As the District's governing authority, the Board's powers include:

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

The District has determined whether certain organizations for which the District is not financially accountable should be reported as component units based on the nature and significance of their relationship with the District. Generally, GASB requires reporting, as a component unit, an organization that raises and holds economic resources for the direct benefit of a governmental unit.

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

The Foundation's financial statements can be obtained through Fox Valley Technical College Foundation, Inc., 1825 N. Bluemound Drive, P.O. Box 2277, Appleton, WI 54912-2277.

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

3. Accounting Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires District 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

4. Cash and Investments

Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with an original maturity of three months or less from date of acquisition are considered to be cash equivalents.

5. Property Taxes and Taxes Receivable

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

Levy date	October 31
Assessment date	January 1
Lien date	August 31
Due dates:	
Taxes paid in one installment	January 31
Taxes paid in two installments	
First installment due	January 31
Second installment due	July 31
Settlement dates	Months of January, February and August

Under Section 38.16 of the Wisconsin Statutes, the District Board may levy a tax based on the full equalized value of taxable property within the area served by the District for the purposes of making capital improvements, acquiring equipment, and operating and maintaining schools. For the fiscal years 2014 and beyond, the District is prohibited from increasing tax levy by a percentage greater than the district's valuation factor. The valuation factor as defined by 38.16(3)(a)4 is a percentage equal to the greater of either zero percent or the percentage change in the district's January 1 equalized value due to the aggregate new construction, less improvements removed, in municipalities located in the district between the previous year and the current year, as determined by the department of revenue. Any unused levy authority (up to .5%) may be used in the next budget year. There is no cap on taxes levied for the purposes of paying principal and interest on general obligation debt issued by the District for capital improvements and equipment acquisitions.

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For the year ended June 30, 2022, the District levied taxes at the following mill rate:

Operating purposes	\$ 0.532573
Debt service requirements	0.370333
	<u>\$ 0.902906</u>

The 2021 tax levy used to finance expenditures for the fiscal year ended June 30, 2022 was \$41,588,302.

6. Student Receivables, Fees and Tuition

Tuition and fees attributable to the summer semester are recognized as revenue based on the student class days occurring before and after June 30, 2022.

The District's student fees receivable is stated at amounts due from students, net of an allowance for doubtful accounts of \$90,000 at June 30, 2022. Amounts outstanding longer than the agreed upon payment terms are considered past due. The District determines its allowance for doubtful accounts by considering a number of factors including length of time amounts are past due, the District's previous loss history, and the student's ability to pay his or her obligation. The District writes off receivables when they become uncollectible.

7. Inventories

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

8. Prepaid Items

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

9. Capital Assets

Capital assets include land, land improvements, buildings, intangible assets, and equipment. Capital assets are recorded at historical cost or estimated historical cost if historical cost is not available. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

	Capitalization Threshold	Years
<u>Assets</u>		
Land improvements	\$ 15,000	15 - 20
Buildings and improvements	15,000	20 - 50
Intangible assets	5,000	3
Equipment	5,000	4 - 20

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. Deferred Outflows/Inflows of Resources

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

11. Long Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expenses as incurred.

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

12. Leases

At the commencement of a lease, the District determines based on the criteria dictated in the GASB Statement No. 87 – Leases, if the lease is a finance purchased or a right-to-use lease liability. The District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease liabilities are reported with the long-term obligations on the statement of net position.

A finance purchased asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The asset is depreciated on a straight-line basis over the life of the lease which is considered the asset's useful life. The asset is reported with the District capital assets as land, land improvements, buildings and improvement or furniture and equipment.

An intangible right-to-use lease asset is initially measured as the initial amount of the lease liability adjusted for lease payment made at or before the lease commencement date, plus certain initial direct costs. The intangible right-to-use lease asset is amortized on a straight-line basis over the life of the lease. The intangible right-to-use asset is reported with the District capital assets in its own category called Leased Assets (right-to-use).

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District accounts for contracts containing both lease and non-lease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and non-lease components, and it is impractical to estimate the price of such components, the District treats the components as a single lease unit.

The District monitors changes in the circumstances that would require a re-measurement of its lease and will re-measure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease.

13. Compensated Absences, Retirement Plan and Other Employee Benefits

- a. Vacation - The District's policy allows employees to earn varying amounts of vacation pay for each year employed in accordance with the provisions of the employee handbook and administrative policies. Upon termination of employment from the District, the employee is eligible for prorated vacation time for that fiscal year of service. Accumulated vacation days are recorded as an expense and a liability when incurred.
- b. Sick Leave - The District's policy allows employees to earn sick leave for each year employed, accumulating to a maximum amount. This sick pay liability is not accrued since an employee's accumulated unused sick leave is forfeited upon retirement or termination of employment.
- c. Retirement Plan - The District has a retirement plan covering substantially all of its contracted employees which is funded through contributions to the Wisconsin Retirement System. Additional information on the retirement plan can be found in Note F.
- d. Retiree Health and Dental Insurance - The District also provides post-retirement health and dental benefits to faculty, support personnel and management employees hired before July 1, 2014 who meet retirement benefit eligibility requirements. The benefits are provided in accordance with the employee handbook. The District shall pay a portion of the group health and dental premiums for eligible employees until the retiree would normally qualify for Medicare. Additional information on this post-employment retirement benefit can be found in Note G.

14. Unearned Revenue

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

15. State and Federal Revenues

The District receives funding from various federal and state contracts and grants. Some of these revenues are earned over fiscal periods different than that of the District and are subject to federal and state single audit requirements.

16. Scholarship Allowances and Student 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 aid (loans, funds provided to students as awarded by third parties and Federal Direct Lending) is accounted for as third-party payments (credited to the student's account as if the student made the payment). All other aid is reflected in the basic financial statements as operating expenses or scholarship allowances, which reduce revenues. 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.

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

17. Net Position

Net position is classified according to restrictions or availability of assets for satisfaction of District obligations as follows:

- a. Net investment in capital assets - Amount of capital assets, net of accumulated depreciation, and deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - Net position that is neither classified as restricted nor as net investment in capital assets. These financial resources may be used at the discretion of the District Board to meet current expense for any purpose and include the activities of auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty, and staff.

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

18. Classification of Revenues

The District classifies its revenues as either *operating* or *non-operating* revenues according to the following criteria:

Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions. The principal operating revenues of the District are student tuition and fees, net of scholarship allowances, sales and services of auxiliary enterprises and most federal, state and local grants and contracts.

Non-operating revenues: Non-operating revenues include activities that have the characteristics of non-exchange transactions. The primary non-operating revenues of the District are general property taxes, HEERF funding, state appropriations and investment income.

19. Comparative Data

Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations.

20. Pensions

For purposes of measuring the net pension asset (liability), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS's 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.

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE B - CASH AND INVESTMENTS

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

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

The carrying amount of the District's cash and investments totaled \$57,737,960 on June 30, 2022 as summarized below:

Petty cash funds	\$ 3,808
Deposits with financial institutions	418,912
Investments	
U.S. Treasury Notes	13,825,341
State and municipal bonds	97,223
Corporate bonds	19,196,980
Federal agency securities	763,113
Supranational	390,225
Asset backed securities	890,169
Money market mutual funds	<u>22,152,189</u>
	<u>\$ 57,737,960</u>

Cash and investments are reported on June 30, 2022 as follows:

Statement of Net Position	
Cash and investments	\$ 25,099,365
Restricted cash and investments	<u>32,638,595</u>
Total cash and investments	<u>\$ 57,737,960</u>

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

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE B - CASH AND INVESTMENTS (Continued)

Custodial Credit Risk

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

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

As of June 30, 2022, \$418,361 of the District's deposits with financial institutions were in excess of federal and state depository insurance limits.

Credit Risk

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

Investment Type	Amount	Exempt From Disclosure	AAA	Aa	A	Not Rated
U.S. Treasury Notes	\$ 13,825,341	\$13,825,341	\$ -	\$ -	\$ -	\$ -
State and municipal bonds	97,223	-	97,223	-	-	-
Corporate bonds	19,196,980	-	69,337	443,614	18,684,029	-
Federal agency securities	763,113	-	-	763,113	-	-
Supranational	390,225	-	390,225	-	-	-
Asset back securities	890,169	-	890,169	-	-	-
Money market mutual funds	22,152,189	-	22,152,189	-	-	-
Totals	\$ 57,315,240	\$13,825,341	\$23,599,143	\$ 1,206,727	\$ 18,684,029	\$ -

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE B - CASH AND INVESTMENTS (Continued)

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the amount invested in any one issuer. The investment policy of the District does not limit the exposure to concentration of credit risk for investments. The District did not have any investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total District investments.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District's investment policy limits the maturity of any security to not extend beyond any recognized unfunded cash needs of the District.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
U.S. Treasury notes	\$ 13,825,341	\$ 10,538,587	\$ 1,930,353	\$ 1,356,401	\$ -
State and municipal bonds	97,223	-	97,223	-	-
Corporate bonds	19,196,980	17,978,645	434,175	784,160	-
Federal agency securities	763,113	173,491	147,411	197,819	244,392
Supranational	390,225	-	234,113	156,112	-
Asset back securities	890,169	-	60,594	770,687	58,888
Money market mutual funds	22,152,189	22,152,189	-	-	-
Totals	<u>\$ 57,315,240</u>	<u>\$ 50,842,912</u>	<u>\$ 2,903,869</u>	<u>\$ 3,265,179</u>	<u>\$ 303,280</u>

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The District's investments include the following investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated on the previous page):

Highly Sensitive Investments	Fair Value at Year End
------------------------------	------------------------

Mortgage and asset backed securities

These securities are subject to early payment in a period of declining interest rates.

The resultant reduction in expected total cash flows affects the fair value of these securities and makes the fair values of these securities highly sensitive to changes in interest rates.

\$ 890,169

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE B - CASH AND INVESTMENTS (Continued)

Fair Value Measurements

Accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under professional standards are described as follows:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Information regarding the fair value of assets measured at fair value on a recurring basis as of June 30, 2022 shown below:

	Total Assets at Fair Value	Level 1	Level 2	Level 3
U.S. Treasury Notes	\$ 13,825,341	\$ -	\$ 13,825,341	\$ -
State and municipal bonds	97,223	-	97,223	-
Corporate bonds	19,196,980	-	19,196,980	-
Federal agency securities	763,113	-	763,113	-
Supranational	390,225	-	390,225	-
Asset back securities	890,169	-	890,169	-
Money market mutual funds	22,152,189	-	22,152,189	-
Totals	<u>\$ 57,315,240</u>	<u>\$ -</u>	<u>\$ 57,315,240</u>	<u>\$ -</u>

The following is a description of the valuation methodology used for each asset measured at fair value on a recurring basis:

- Money market funds are valued using \$1.00 as the net asset value.
- Corporate bonds, government bonds and notes, federal and asset backed securities are valued using quotes from pricing vendors based on recent trading activity and other observable market data.

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE B - CASH AND INVESTMENTS (Continued)

The methods described and shown for fair value calculations may produce a fair value calculation that may be different from the net realizable value or not reflective of future values expected to be received. The District believes that its valuation methods are appropriate and consistent with other market participants; however, the use of these various methodologies and assumptions may produce results that differ in the estimates of fair value at the financial reporting date.

The District does not have any liabilities measured at fair value on a recurring basis nor any assets or liabilities measured at fair value on a nonrecurring basis.

NOTE C - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

	Beginning Balance as Restated	Additions	Deductions	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 1,923,817	\$ -	\$ -	\$ 1,923,817
Construction in progress	2,374,056	3,926,801	2,014,650	4,286,207
Total Capital assets, not being depreciated	4,297,873	3,926,801	2,014,650	6,210,024
Capital assets, being depreciated:				
Land improvements	20,378,584	189,535	3,402,048	17,166,071
Buildings and improvements	167,517,490	3,272,544	57,800	170,732,234
Intangible assets	254,031	2,427,041	93,280	2,587,792
Equipment	59,061,681	7,557,808	9,316,954	57,302,535
Leased Assets (Right of Use)	19,532,356	441,835	907,577	19,066,614
Subtotal	266,744,142	13,888,763	13,777,659	266,855,246
Less accumulated depreciation and amortization for:				
Land improvements	9,806,661	873,437	3,402,048	7,278,050
Buildings and improvements	63,581,564	4,853,204	57,800	68,376,968
Intangible assets	115,943	473,637	93,280	496,300
Equipment	33,696,218	6,369,611	9,095,063	30,970,766
Leased Assets (Right of Use)	11,390,723	1,067,368	907,577	11,550,514
Subtotal	118,591,109	13,637,257	13,555,768	118,672,598
Total capital assets, being depreciated, net	148,153,033	251,506	221,891	148,182,648
Net capital assets	<u>\$ 152,450,906</u>	<u>\$ 4,178,307</u>	<u>\$ 2,236,541</u>	154,392,672
Less capital related debt				(67,083,749)
Less right to use lease liability				(8,412,848)
Less capital related premiums				<u>(2,377,940)</u>
Net investment in capital assets				<u>\$ 76,518,135</u>

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE D - LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations of the District for the year ended June 30, 2022:

	June 30, 2021 As Restated	Issued	Retired	June 30, 2022	Due Within One Year
General obligation debt					
Bonds	\$ 34,745,000	\$ -	\$ 4,310,000	\$ 30,435,000	\$ 4,075,000
Notes	41,915,000	18,000,000	11,180,000	48,735,000	11,505,000
Total general obligation debt	76,660,000	18,000,000	15,490,000	79,170,000	15,580,000
Debt premium	3,113,575	1,190,887	1,137,145	3,167,317	-
Net OPEB liability	7,385,328	-	2,125,866	5,259,462	
Lease liability - Right to use	9,058,304	363,943	1,009,400	8,412,847	1,101,965
	<u>\$ 96,217,207</u>	<u>\$ 19,554,830</u>	<u>\$ 19,762,411</u>	<u>\$ 96,009,626</u>	<u>\$ 16,681,965</u>

Detail of the above outstanding general obligation debt:

General Obligation Debt

The District has issued general obligation debt to provide funds for the acquisition and construction of major capital facilities. General obligation debt service requirements are direct obligations and pledge the full faith and credit of the District. General obligation debt outstanding on June 30, 2022 totaled \$79,170,000 and was comprised of the following issues:

Bonds

December 2012 - \$50,450,000 general obligation school facilities bonds payable at Cede and Co., New York, New York, with interest at 3.0%, payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2027. Proceeds used to for the purchase or construction of buildings, building additions, enlargements and improvements, acquisition of sites and equipment.

\$ 4,075,000

September 2020 - \$26,720,000 taxable general obligation refunding bonds payable at Cede and Co., New York, New York, with interest at 0.3 to .09% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2027.

26,360,000

Total General Obligation Bonds

30,435,000

(Continued)

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE D - LONG-TERM OBLIGATIONS (Continued)

Notes

May 2015 - \$1,900,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 2.0 to 3.0%, payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2022. Proceeds used to for the purchase or construction of buildings, building additions, enlargements, remodeling and improvements, acquisition of sites and equipment. 235,000

August 2015 - \$7,500,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 2.0 to 3.0%, payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2022. Proceeds used for building improvements, remodeling, capital equipment and non-building capital projects. 920,000

August 2016 - \$7,500,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 2.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2023. Proceeds used for building improvements, remodeling, capital equipment and non-building capital projects. 1,535,000

September 2016 - \$1,500,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 2.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2023. Proceeds used for building improvements and remodeling. 405,000

October 2016 - \$1,500,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 2.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2023. Proceeds used for building improvements and remodeling. 435,000

August 2017 - \$8,800,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 2.0 to 3.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2024. Proceeds used for building improvements, remodeling, capital equipment and non-building capital projects. 2,675,000

September 2017 - \$1,500,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 2.0 to 3.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2024. Proceeds used for building improvements and remodeling. 655,000

October 2017 - \$1,500,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 2.0 to 3.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2024. Proceeds used for building improvements and remodeling. 655,000

(Continued)

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE D - LONG-TERM OBLIGATIONS (Continued)

Notes (Continued)

August 2018 - \$9,000,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 4.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2025. Proceeds used for building improvements, remodeling, capital equipment and non-building capital projects. 4,845,000

September 2018 - \$1,500,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 3.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2025. Proceeds used for building improvements and remodeling. 895,000

October 2018 - \$1,500,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 3.0 to 4.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2025. Proceeds used for building improvements and remodeling. 885,000

August 2019 - \$10,400,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 3.0 to 4.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2026. Proceeds used for construction of buildings, building improvements, remodeling, capital equipment and non-building capital projects. 7,025,000

September 2019 - \$1,500,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 3.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2026. Proceeds used for building improvements and remodeling. 1,055,000

September 2020 - \$7,500,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 1.0 to 2.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2027. Proceeds used for building improvements, remodeling, capital equipment and non-building capital projects. 5,155,000

February 2021 - \$4,000,000 taxable general obligation promissory note payable at Cede and Co., New York, New York, with interest at 2.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2027. Proceeds used for building improvements, remodeling, capital equipment and non-building capital projects. 3,360,000

August 2021 - \$8,505,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 2.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2028. Proceeds used for building improvements, remodeling, capital equipment and non-building capital projects. 8,505,000

(Continued)

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE D - LONG-TERM OBLIGATIONS (Continued)Notes (Continued)

September 2021 - \$1,500,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 2.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2028. Proceeds used for building improvements and remodeling. 1,500,000

October 2021 - \$1,500,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 2.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2028. Proceeds used for building improvements and remodeling. 1,500,000

June 2022 - \$6,495,000 general obligation promissory note payable at Cede and Co., New York, New York, with interest at 5.0% payable semiannually in June and December; principal payments are due on December 1 of each year until maturity on December 1, 2029. Proceeds used for projects including site improvements and software or upgrades, but not including buildings, site acquisition, or equipment. 6,495,000

Total General Obligation Promissory Notes 48,735,000

Total General Obligation Debt \$ 79,170,000

Principal and interest maturities on the general obligation promissory notes are as follows:

Year Ended June 30	Principal	Interest	Total
2023	\$ 15,580,000	\$ 978,632	\$ 16,517,975
2024	14,090,000	1,002,136	15,092,136
2025	13,155,000	939,354	14,094,354
2026	12,655,000	658,585	13,313,585
2027	11,120,000	405,070	11,525,070
2028	8,945,000	212,952	9,157,952
2029	2,535,000	95,450	2,630,450
2030	1,090,000	27,250	1,117,250
	<u>\$ 79,170,000</u>	<u>\$ 4,319,429</u>	<u>\$ 83,448,772</u>

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new debt in an irrevocable trust to provide for the future debt service payments on the old debt. Accordingly, the trust account asset and liability for the defeased bonds are not included in the District's financial statements. At June 30, 2022 \$24,975,000 of the debt outstanding is considered defeased.

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE D - LONG-TERM OBLIGATIONS (Continued)

Legal Margin for New Indebtedness

The District's legal margin for creation of additional indebtedness on June 30, 2022 was as follows:

	Aggregate	Bonded
Equalized valuation of the District	\$46,974,225,266	\$46,974,225,266
Statutory limitation percentage	(x) 5%	(x) 2%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	<u>\$ 2,348,711,263</u>	<u>\$ 939,484,505</u>
General obligation debt	\$ 79,170,000	\$ 30,435,000
Lease liability for right to use assets	8,412,847	-
Less: Amounts available for financing general obligation debt restricted for debt service	18,244,026	18,244,026
Net outstanding general obligation debt applicable to debt limitation	<u>\$ 69,338,821</u>	<u>\$ 12,190,974</u>

NOTE E - LEASES

Lease Liability: Right-to-use asset agreements

The District has entered into lease arrangements for equipment and building space. The District 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 if an interest rate was not provided in the lease agreement.

The District has fifteen building leases under long-term, noncancelable lease arrangements with interest rates ranging from 0.74%-3.17% and maturity dates through August 31, 2090.

The District has two equipment leases with an interest rate of 1.935% and maturity dates through October 31, 2025.

Total principal and interest costs for such leases for governmental funds were \$1,163,193 for the year ended June 30, 2022. The future minimum lease payment for these agreements are noted on the following page:

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE E - LEASES (Continued)

Year Ended June 30	Principal	Interest	Total
2023	\$ 1,101,965	\$ 61,645	\$ 1,163,609
2024	1,053,252	52,608	1,105,860
2025	1,024,318	43,721	1,068,039
2026	888,698	35,743	924,441
2027	781,473	29,521	810,993
2028 - 2032	1,944,265	90,017	2,034,282
2033 - 2037	157,605	56,242	213,847
2038 - 2042	114,253	52,032	166,285
2043 - 2047	118,561	47,725	166,285
2048 - 2052	123,031	43,254	166,285
2053 - 2057	127,670	38,616	166,285
2058 - 2062	132,483	33,802	166,285
2063 - 2067	137,478	28,807	166,285
2068 - 2072	142,662	23,623	166,285
2073 - 2077	148,041	18,245	166,285
2078 - 2082	153,622	12,663	166,285
2083 - 2087	159,415	6,871	166,285
2088 - 2092	104,057	1,257	105,314
	<u>\$ 8,412,847</u>	<u>\$ 676,390</u>	<u>\$ 9,089,237</u>

These lease agreements qualify as right-to-use assets for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the date of their inception. The assets acquired through right-to-use asset lease agreements are as follows:

Right-to-use assets:

Leased asset - buildings	\$ 18,638,509
Leased asset - machinery and equipment	428,105
Subtotal	19,066,614
Less: accumulated amortization	11,550,514
Total	<u>\$ 7,516,100</u>

NOTE F - PENSION PLANS

1. Plan Description

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

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>. Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE F - PENSION PLANS (continued)

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

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

Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service for which the 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 employees may retire at or after age 55 (50 for protective occupation employees) and receive an actuarially-reduced benefit. Employees terminating covered employment before becoming eligible for a retirement benefit 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.

2. Post-Retirement Adjustments

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2012	(7.0)	(7.0)
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	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE F - PENSION PLANS (continued)**3. Contributions**

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

During the reporting period, the WRS recognized \$4,658,231 in contributions from the District.

Contribution rates as of June 30, 2022 are:

Employee Category	2022	
	Employee	Employer
General (including teachers, executives, and elected officials)	6.50%	6.50%
Protective with Social Security	6.50%	12.00%
Protective without Social Security	6.50%	16.40%

4. Pension Asset (Liabilities), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.

At June 30, 2022, the District reported an asset of \$32,271,110 for its proportionate share of the net pension asset. The net pension asset was measured as of the calendar year that falls within the District's fiscal year and the total pension asset used to calculate the net pension 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 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, 2021, the District's proportion was 0.40037684% (a decrease of 0.00658918% from the prior year).

For the year ended June 30, 2022, the District recognized pension expense of \$2,813,489.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 52,132,347	\$ (3,759,305)
Net differences between projected and actual earnings on pension plan investments	-	(72,193,156)
Changes in assumptions	6,020,685	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	98,138	(131,857)
Employer contributions subsequent to the measurement date	2,117,518	-
Total	<u>\$ 60,368,688</u>	<u>\$ (76,084,318)</u>

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE F - PENSION PLANS (continued)

\$2,117,518 reported as deferred outflows related to pension resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended June 30	Net Deferred Outflow (Inflow) of Resources
2023	\$ (1,526,951)
2024	(8,776,130)
2025	(3,854,743)
2026	(3,675,324)

5. Actuarial Assumptions

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

Actuarial Valuation Date:	December 31, 2020
Measurement Date of Net Pension Liability (Asset):	December 31, 2021
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Post-retirement Adjustments*	1.7%

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

Actuarial assumptions are based on an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post retirement adjustment, price inflation, mortality and separation rates. The total pension liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the December 31, 2020 actuarial valuation.

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

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE F - PENSION PLANS (continued)

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 %**
<u>Core Fund Asset Class</u>			
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***	115.0%	6.6%	4.0%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70.0%	6.3%	3.7%
International Equities	30.0%	7.2%	4.6%
Total Variable Fund	100.0%	6.8%	4.2%

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

**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.

***The investment policy used for the core fund involves reducing equity exposure by leveraging lower-volatility assets such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target 15% policy leverage is used, subject to an allowable range of up to 20%.

Single Discount rate. A single discount rate of 6.8% was used to measure the total pension liability, as opposed to a discount rate of 7.0% for the prior year. This single discount rate was based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 1.84% (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, 2021. In describing this index, Fidelity notes that the Municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability (asset) to changes in the discount rate. The following table on the next page presents the District's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.8 percent, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.8 percent) or 1-percentage-point higher (7.8 percent) than the current rate:

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE F - PENSION PLANS (continued)

	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase to Discount Rate (7.8%)
District's proportionate share of the Net Pension Liability (Asset)	\$ 22,898,640	\$(32,271,110)	\$(71,983,065)

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

6. Payable to the WRS

At June 30, 2022, the District reported a payable of \$783,613 for the outstanding amount of contributions to the pension plan for the year ended June 30, 2022.

NOTE G - POST-EMPLOYMENT RETIREMENT BENEFIT

In addition to providing pension benefits, the District as authorized by the Board of Trustees provides medical and dental insurance for eligible retirees and spouses (OPEB) in accordance with the employee handbook.

For eligible employees that retired before July 1, 2014, the District shall pay a portion of or all of the health and dental premiums from the time of retirement until they become eligible for Medicare, provided that he/she is age 56-59 and has at least 15 years in the District, or age 60-64 and has at least ten (10) years of service at the District. Additional date of hire requirements and premium share information are shown below:

Date and Status	Retirement Date	Retiree Pays
Part time employees	Regardless of date of retirement	Retiree generally pays 25% of health and dental premiums.
Full time employees hired before July 1, 2008	Retire between July 1, 2008 and June 30, 2010	No health and dental premium share required.
Full time employees hired before July 1, 2008 with 15 or more years of service	Retire on or after July 1, 2010	No health and dental premium share required.
Hired before July 1, 2008 and have less than 15 years of service	Retire on or after July 1, 2010	25% of full-time active employee's health and dental premium share subject to future negotiated union contracts.
Hired on or after July 1, 2008	Regardless of date of retirement	Same health and dental premium share as for full-time active employee's subject to future negotiated union contracts.

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE G - POST-EMPLOYMENT RETIREMENT BENEFIT (Continued)

For employees hired before July 1, 2014 and are eligible to retire July 1, 2014 or after, the following plan exists:

Date and Status	Age and Years of Service	Retiree Pays
Part time employees	Age 62 with at least 20 years of service	Retiree pays their applicable share of health and dental premiums. The District will pay up to a maximum of \$4,000 for a single plan and \$10,000 for a family or plus one plan per year.
Full time employees	Age 62 with at least 20 years of service	Retiree pays their applicable share of health and dental premiums. The District will pay up to a maximum of \$8,000 for a single plan and \$20,000 for a family or plus one plan per year.

No retiree benefits exist for employees hired on or after July 1, 2014.

Voluntary Early Retirement (VER) Program.

The District offered to eligible employees who were at least age 60 with 15 years of service with a retirement date before June 30, 2020 the following: Health and dental insurance based upon the health plan election in place at the time of retirement. Coverage will continue until age 65 or Medicare-eligibility, whichever occurs first. The District will provide contributions up to \$8,000 for single and \$20,000 for family or employee plus one plans each fiscal year. Retirees are responsible for the difference between the total annual cost and the amount the District contributes.

The District offered a second VER to eligible employees in the Adult Basic Education (ABE) or English Language Learners (ELL) departments who would have turned at least age 60 and have attained at least 20 years of service by June 30, 2022. The retirement date needed to be no later than June 30, 2021. The benefit offered: health and dental insurance based upon the health plan election in place at the time of retirement. Coverage will continue until age 65 or Medicare-eligibility, whichever occurs first. The District will provide contributions up to \$8,000 for single and \$20,000 for family or employee plus one plans each fiscal year. Retirees are responsible for the difference between the total annual cost and the amount the District contributes.

Membership of the Plan at June 30, 2021 was 705 active participants and 72 retired participants.

The District's total OPEB liability at June 30, 2022 was \$5,259,462. The total OPEB liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2021. The total OPEB liability was determined using the following assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Inflation:	2.00%
Salary Increases:	Salary inflation of 3.0% plus projected merit and longevity increase based on years of service
Medical Trend Rate:	6.5% decreasing by 0.1% per year down to 5.0%, then level thereafter
Interest Discount Rate	2.25%*
Mortality	Wisconsin 2018 Mortality Table Based on an experience study using WRS experience from 2015-2017

*The 2.25 percent discount rate used to measure the total OPEB liability was based upon the Bond Buyer General Obligation 20-Year Municipal Bond Index as of the measurement date.

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE G - POST-EMPLOYMENT RETIREMENT BENEFIT (Continued)

Changes in the total OPEB liability for the year ended June 30, 2022, are as follows:

Balance at June 30, 2021	<u>\$ 7,385,328</u>
Changes for the year:	
Service cost	241,865
Interest	164,504
Changes of benefit terms	-
Differences between expected and actual experience	(2,142,969)
Effect of assumptions changes or inputs	687
Benefit payments	<u>(389,953)</u>
Net changes	<u>(2,125,866)</u>
Balance at June 30, 2022	<u><u>\$ 5,259,462</u></u>

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.25%) or 1 percentage point higher (3.25%) than the current rate.

	1% Decrease to Discount Rate (1.25%)	Current Discount Rate (2.25%)	1% Increase to Discount Rate (3.25%)
Distict's total OPEB liability	\$ 5,438,924	\$ 5,259,462	\$ 5,082,521

The following presents the District's total OPEB liability calculated using the current healthcare cost trend rate, as well as what the District's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

	1% Decrease (5.5% decreasing to 4.0%)	Healthcare Cost Trend (6.5% decreasing to 5.0%)	1% Increase (7.5% decreasing to 6.0%)
Distict's total OPEB liability	\$ 5,143,122	\$ 5,259,462	\$ 5,390,040

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE G - POST-EMPLOYMENT RETIREMENT BENEFIT (Continued)

For the year ended June 30, 2022 the District recognized OPEB expense of (\$84,279). At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 432,425	\$ 1,797,865
Changes of assumptions	191,602	1,006,663
Employer contributions subsequent to the measurement date	340,035	-
Total	<u>\$ 964,062</u>	<u>\$ 2,804,528</u>

\$340,035 reported as deferred outflows related to OPEB resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. The other amounts reported as deferred inflows of resources related to OPEB will be recognized as OPEB expense as shown on the next page:

Year ended June 30	Net Deferred Outflow (Inflow) of Resources
2023	\$ (490,648)
2024	(490,648)
2025	(490,647)
2026	(339,127)
2027	(368,148)
Thereafter	(1,283)

NOTE H - RISK MANAGEMENT

1. The District has purchased commercial insurance policies for various risks of loss related to torts; theft, damage or destruction of assets; errors or omissions; injuries to employees; or acts of God. Payments of premiums for these policies are recorded as an expenditure of the District's general fund.

Districts Mutual Insurance Company

In July 2004 all sixteen WTCS technical colleges created Districts Mutual Insurance Company (DMI). DMI is a fully-assessable mutual company authorized under Wisconsin Statute 611 to provide property, casualty, and liability insurance and risk management services to its members. The scope of insurance protection provided by DMI is broad, covering property at \$5,000,000 per occurrence; cyber risk at \$5,000,000 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 between \$5,000 and \$100,000 per occurrence depending on the type of coverage; DMI purchases reinsurance for losses in excess of its retained layer of coverage.

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

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE H - RISK MANAGEMENT (Continued)

Each member college is assessed an annual premium based on the relevant rating exposure basis as well as the historical loss experience by members. Future premiums will be based on relevant rating exposure bases as well as the historical loss experience by members. DMI's ongoing operational expenses, other than loss adjustment expenses, are allocated to participants based on equity interest in the company.

For the year ended June 30, 2022, the District paid a total premium of \$870,063.

Audited financial statements for DMI can be obtained from Districts Mutual Insurance Company, 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. Members include all sixteen Wisconsin Technical College System districts.

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

- Foreign liability: \$5,000,000 aggregate general; \$1,000,000 auto per accident; \$1,000,000 employee benefits; includes benefit for accidental death and dismemberment, repatriation, and medical expenses; \$1,000 deductible for employee benefits.
- Crime: \$750,000 coverage for employee dishonesty, forgery, computer fraud and funds transfer fraud; \$500,000 coverage for theft, robbery, burglary, disappearance and destruction of money and securities; \$25,000 coverage for investigation expenses.

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

Other Insurance

In addition, the District maintains professional liability insurance to cover services on campus with a limit of \$1,000,000 per claim and in aggregate, and aircraft and hull liability with coverage of \$1,000,000 per occurrence. Total premiums paid by the District were \$148,098.

2. As of July 1, 2015, the District joined together with other technical colleges in the state to form 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 \$977,584 is shared in a pooled layer among all of the colleges participating in the consortium. Individual claims exceeding \$250,000 and aggregate claims exceeding \$977,584 are subject to reinsurance.

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.

For the year ended June 30, 2022, the District paid a total premium of \$11,898,267.

Audited financial statements for WTCEBC can be obtained by contacting the District.

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE H - RISK MANAGEMENT (Continued)

3. In addition, the District has established a separate internal service fund for the following risk management program:

Dental Self-Insurance Program

District employees and employee dependents are eligible for dental benefits from the District's self-insurance fund. Funding is provided by charges to departments and employees. Fund expenses consist of payments to a third-party administrator for dental claims and administrative fees.

On June 30, 2022 net position of \$3,677,419 was available for future unreported claims. The claims liability of \$55,000 reported at June 30, 2022 is the estimated dental claims incurred but not paid or reported as of June 30, 2022. This estimate is based on GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the basic financial statements indicates that it is probable that a liability has been incurred at the date of the basic financial statements and the amount of the loss can be reasonably estimated. The changes in the claim liability related to the self-insurance program for the years ended June 30, 2022 and 2021 follows:

	Liability July 1	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30
2021	\$ 54,000	\$ 857,799	\$ 865,799	\$ 46,000
2022	46,000	865,158	856,158	55,000

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

NOTE I - EXPENSES CLASSIFICATION

Expenses on the Statement of Revenues, Expenses and Changes in Net Position are classified by function. Alternatively, the expenses could also be shown by type or nature of expense for the year ended June 30, 2022:

	Amount
Salaries and wages	\$ 70,218,377
Fringe benefits	16,068,089
Travel, memberships and subscriptions	1,597,977
Supplies, printing and minor equipment	9,995,484
Contract services	7,814,552
Rentals	3,258,356
Insurance	1,047,072
Utilities	2,133,871
Depreciation and amortization	13,637,257
Student aid	14,850,583
Other expenses	2,900,248
Total Operating Expenses	<u>\$143,521,866</u>

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE J - COMMITMENTSCapital Projects

The District has commitments for capital projects as of June 30, 2022 totaling \$9,641,522.

NOTE K - CONTINGENT LIABILITIES

1. The District participates in a number of federal and state grant programs which are subject to program compliance audits and possible future adjustments to expenditures reported for federal and state reimbursement. The amount, if any, of expenditures that may be disallowed cannot be determined at this time although the District expects such amounts, if any, to be immaterial.
2. From time to time, the District is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and legal counsel that the likelihood is remote that any such claims and proceedings will have a material adverse effect on the District's financial position or result of operations.

NOTE L - COMPONENT UNIT

This report contains the Fox Valley Technical College Foundation, Inc., which is included as a component unit. Financial information is presented as a discrete column in the statement of net position, the statement of revenues, expenses and changes in net position and the statement of cash flows.

In addition to the basic financial statements, the following disclosures are considered necessary for a fair presentation.

1. Cash and Investments

The Foundation invests its endowment funds and excess cash with Johnson Financial Group. Cash and investments at June 30, 2022 consist of the following:

	Cost	Fair Value	Excess of Fair Value Over Cost	Fair Value Method
Money market funds	\$ 292,103	\$ 292,103	\$ -	Level 2
Fixed income				
Corporate bond funds	4,379,533	4,199,989	(179,544)	Level 2
Pooled fixed income funds	414,087	386,635	(27,452)	Level 1
Total fixed income	4,793,620	4,586,624	(206,996)	
Equity				
Equity funds	7,616,749	7,889,492	272,743	Level 1
Total equity	7,616,749	7,889,492	272,743	
Total Investments	<u>\$ 12,702,472</u>	12,768,219	<u>\$ 65,747</u>	
Bank deposits		4,273,178		
Beneficial interest in investments held by Community Foundation		54,105		Level 3
Total Cash and Investments		<u>\$ 17,095,502</u>		

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE L - COMPONENT UNIT (Continued)

Net Investment income (loss) reported in the statement of revenues, expenses and changes in net position totaled \$2,184,695 and consisted of the following:

Realized gains	\$ 1,048,482
Unrealized gains (losses)	(3,504,707)
Interest and dividend income	324,448
Investment fees	(52,918)
Investment return	<u>\$ (2,184,695)</u>

2. Beneficial Interest in Investments Held by Community Foundation

Beneficial interest in investments held by the Community Foundation represents amounts transferred by the Foundation to the Community Foundation for the Fox Valley Region, Inc. These amounts are the legal assets of the Community Foundation with the restriction that the Community Foundation makes annual distributions to the Foundation in accordance with the Community Foundation's spending policy.

The agreement governing the assets includes a variance power allowing the Community Foundation to modify the restrictions on distributions from the funds.

Beneficial interests in investments held by the Community Foundation for the Fox Valley Region, Inc. as of June 30, 2022 totaled \$54,105.

3. Promises to Give

Unconditional promises to give at June 30, 2022 are as follows:

Receivable in less than one year	\$ 79,283
Receivable in one to five years	<u>2,309</u>
Total unconditional promises to give	81,592
Less discount to net present value	<u>40</u>
Net Unconditional Promises to Give	<u>\$ 81,552</u>

Promises to give receivable in more than one year are discounted at .10% to 3.00%. A reserve for uncollectible amounts was deemed not necessary by management.

4. Capital Assets

Changes in capital assets for the year ended June 30, 2022 follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 841,204	\$ -	\$ -	\$ 841,204
Capital assets, being depreciated:				
Buildings	5,999,023	-	-	5,999,023
Less accumulated depreciation for:				
Buildings	2,085,390	149,976	-	2,235,366
Net capital assets	<u>\$ 4,754,837</u>	<u>\$ (149,976)</u>	<u>\$ -</u>	<u>\$ 4,604,861</u>

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE L - COMPONENT UNIT (Continued)5. Operating Leases

The Foundation leases several buildings to the District under noncancelable operating leases with automatic renewal terms. Rental income during 2022 from the District was \$553,104. Future minimum collections expected, by year and in the aggregate consist of the following at June 30, 2022:

Year Ending June 30,	
2023	\$ 558,078
2024	537,827
2025	511,973
2026	431,131
2027	345,000
Thereafter	103,750
	<u>\$ 2,487,759</u>

6. Donor and Perpetual Restrictions of Net Position

Net position with donor restriction for the stated purposes were as follows as of June 30, 2022.

	Donor restricted purpose	Perpetual in nature	Total
Scholarships	\$ 2,348,665	\$ -	\$ 2,348,665
Activity funds	544,553	-	544,553
Instructional support	625,480	-	625,480
Endowments	619,143	3,951,748	4,570,891
	<u>\$ 4,137,841</u>	<u>\$ 3,951,748</u>	<u>\$ 8,089,589</u>

NOTE M - SUBSEQUENT EVENTS

The Board of Directors authorized various expenditure budget revisions. The purpose of these revisions was to appropriately eliminate all material negative budget variances. These revisions were accomplished by reallocating among various budget classifications without affecting the total budgeted expenditures.

Subsequent to June 30, 2022, the District issued general obligation promissory notes as follows:

Date	Interest Rate	Amount	Purpose
August 1, 2022	4%	\$ 8,600,000	General Obligation Promissory Notes. Proceeds used for building remodeling or improvements, moveable equipment and other non-building projects.
November 8, 2022	4%	1,500,000	General Obligation Promissory Notes. Proceeds used for building remodeling or improvements.
December 6, 2022	4-5%	1,500,000	General Obligation Promissory Notes. Proceeds used for building remodeling or improvements.
		<u>\$ 11,600,000</u>	

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Notes to Basic Financial Statements

June 30, 2022

NOTE N – OTHER INFORMATION

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87 *Leases*. The statement enhances the relevance and consistency of reporting for the Districts leasing activities by establishing requirements for lease accounting based on the principle that leases are financings of underlying right-to-use assets. A lessee is required to recognize a lease liability and intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. There was no impact on the beginning net position or fund balance as a result of this statement.

REQUIRED SUPPLEMENTAL INFORMATION

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Schedule of Changes in the District's
Total OPEB Liability and Related Ratios
Last 10 Years*

Measurement date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB Liability					
Service cost	\$ 241,865	\$ 193,203	\$ 76,073	\$ 73,239	\$ 79,607
Interest	164,504	244,944	217,756	258,637	258,980
Changes of benefit terms		-	3,083,163	-	-
Effect of economic/demographic gains or losses	(2,142,969)	-	864,851	-	(26,418)
Effect of assumptions changes or inputs	687	286,546	(1,773,988)	(59,081)	(188,987)
Benefit payments	(389,953)	(482,333)	(1,827,263)	(1,827,263)	(2,132,478)
Net change in total OPEB liability	(2,125,866)	242,360	640,592	(1,554,468)	(2,009,296)
Total OPEB liability - Beginning	7,385,328	7,142,968	6,502,376	8,056,844	10,066,140
Total OPEB liability - Ending	\$ 5,259,462	\$ 7,385,328	\$ 7,142,968	\$ 6,502,376	\$ 8,056,844
Covered payroll	\$ 59,983,461	\$ 67,553,709	\$ 68,643,109	\$ 65,504,017	\$ 63,455,407
Total OPEB liability as a percentage of covered-employee payroll	8.77%	10.93%	10.41%	9.93%	12.70%

*This schedule is intended to present information for the last 10 years. Additional information will be presented as it becomes available.

See independent auditor's report
See Notes to Required Supplemental Information

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Schedule of Proportionate Share of the Net Pension (Asset) Liability
Wisconsin Retirement System
Last 10 Fiscal Years*

	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension asset
2015	0.42422%	\$ (10,419,944)	\$ 58,054,078	(17.95%)	102.74%
2016	0.42420%	6,832,287	59,170,908	11.55%	98.20%
2017	0.41408%	3,412,967	59,612,638	5.73%	99.12%
2018	0.41477%	(12,315,047)	61,700,831	(19.96%)	102.93%
2019	0.41622%	14,807,942	64,604,731	22.92%	96.45%
2020	0.41597%	(13,412,761)	65,977,110	(20.33%)	102.96%
2021	0.40697%	(25,407,453)	65,048,970	(39.06%)	105.26%
2022	0.40038%	(32,271,110)	68,365,759	(47.20%)	106.02%

*The amounts presented for each fiscal year were determined as the calendar year-end that occurred within the fiscal year. This schedule is intended to present information for the last 10 years. Additional information will be presented as it becomes available.

See independent auditor's report
See Notes to Required Supplemental Information

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Schedule of Contributions
Wisconsin Retirement System
Last 10 Fiscal Years*

	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2015	\$ 4,086,199	\$ 4,086,199	\$ -	\$ 59,183,860	6.90%
2016	3,950,094	3,950,094	-	58,953,922	6.70%
2017	4,016,067	4,016,067	-	59,952,117	6.70%
2018	4,283,100	4,283,100	-	63,455,407	6.75%
2019	4,339,828	4,339,828	-	65,504,017	6.63%
2020	4,566,720	4,566,720	-	68,643,109	6.65%
2021	4,465,400	4,465,400	-	66,154,074	6.75%
2022	4,322,509	4,322,509	-	68,062,588	6.35%

*This schedule is intended to present information for the last 10 years. Additional information will be presented as it becomes available.

See independent auditor's report
See Notes to Required Supplemental Information.

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Notes to Required Supplemental Information
For the Year Ended June 30, 2022

NOTE A - OTHER POST-EMPLOYMENT BENEFITS

The District implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions for the fiscal year ended June 30, 2018. The standards allow the District to present as many years as are available until ten fiscal years are presented.

Benefit terms:

There were no changes of benefit terms since the implementation of GASB No. 75.

Benefit assumptions:

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, mortality assumptions were changed to reflect updated trends transitioning from the Wisconsin's 2012 Mortality Table to the 2018 WRS Experience Mortality table.

NOTE B – WISCONSIN RETIREMENT SYSTEM

The District implemented GASB Statement No. 68, Accounting and Financial Reporting for Pensions - *An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68* for the fiscal year ended June 30, 2015. The standards allow the District to present as many years as are available until ten fiscal years are presented.

Benefit terms:

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

Benefit assumptions:

Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2021, including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the post-retirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality table.

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2018, including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the post-retirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the 2018 WRS Experience Mortality table.

See independent auditor's report

SUPPLEMENTAL INFORMATION

The following supplemental information is provided to document the District's compliance with budgetary requirements. This accountability is an essential requirement to maintain the public trust. The method of accounting used for budgetary compliance monitoring is substantially different from the method of preparing the basic financial statements of the District. At the end of this section is reconciliation between the two methods.

GENERAL FUND

The General Fund is the primary operating fund of the District and its accounts reflect all financial activity not accounted for in another fund.

FOX VALLEY TECHNICAL COLLEGE DISTRICT

General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2022

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
Revenues						
Local government - tax levy	\$ 24,883,445	\$ 22,732,186	\$ 22,754,691	\$ -	\$ 22,754,691	\$ 22,505
Intergovernmental revenue						
State	39,846,066	42,056,705	41,833,165	-	41,833,165	(223,540)
Federal	10,000	10,000	14,559	-	14,559	4,559
Tuition and fees						
Statutory program fees	16,572,071	16,606,224	16,232,472	-	16,232,472	(373,752)
Material fees	954,079	954,079	959,848	-	959,848	5,769
Other student fees	1,717,374	1,717,374	1,709,737	-	1,709,737	(7,637)
Institutional	411,000	411,000	103,701	-	103,701	(307,299)
Total Revenues	84,394,035	84,487,568	83,608,173	-	83,608,173	(879,395)
Expenditures						
Instruction	54,204,001	53,993,371	51,810,831	-	51,810,831	2,182,540
Instructional resources	822,380	816,238	803,570	-	803,570	12,668
Student services	7,019,960	7,048,858	6,890,300	-	6,890,300	158,558
General institutional	19,749,007	19,871,973	18,588,582	-	18,588,582	1,283,391
Physical plant	6,403,826	5,462,321	5,447,295	-	5,447,295	15,026
Total Expenditures	88,199,174	87,192,761	83,540,578	-	83,540,578	3,652,183
Excess (Deficiency) of Revenues Over Expenditures	(3,805,139)	(2,705,193)	67,595	-	67,595	2,772,788
Other Financing Sources (Uses)						
Transfers in	3,120,770	3,120,770	1,152,394	-	1,152,394	(1,968,376)
Transfers out	(326,000)	(1,328,228)	(1,319,738)	-	(1,319,738)	8,490
Total Other Financing Sources (Uses)	2,794,770	1,792,542	(167,344)	-	(167,344)	(1,959,886)
Net Change in Fund Balance	(1,010,369)	(912,651)	(99,749)	-	(99,749)	812,902
Fund Balance - beginning	26,184,607	26,184,607	26,184,607	-	26,184,607	-
Fund Balance - ending	\$ 25,174,238	\$ 25,271,956	\$ 26,084,858	\$ -	\$ 26,084,858	\$ 812,902
Fund Balance						
Nonspendable for prepaid items			\$ 1,036,946			
Restricted for encumbrances			390,994			
Assigned for state aid fluctuations			1,247,353			
Unassigned for future operations			23,409,565			
			<u>\$ 26,084,858</u>			

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than for debt service or major capital projects) that are restricted to expenditures for designated purposes because of the legal or regulatory provisions. The District has two special revenue funds:

Aidable Fund – The operating fund is used to account for the proceeds from specific revenue sources other than non-aidable funds that are legally restricted as to expenditures for specific purposes. This fund includes grants, technical assistance contracts, and contracted instructional services to business and industry.

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

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Special Revenue Aidable Fund Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2022

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
Revenues						
Local government - tax levy	\$ 1,008,688	\$ 1,081,044	\$ 1,077,930	\$ -	\$ 1,077,930	\$ (3,114)
Intergovernmental revenue						
State	1,487,024	2,654,250	2,695,403	-	2,695,403	41,153
Federal	14,046,090	16,620,203	16,710,685	-	16,710,685	90,482
Tuition and fees						
Statutory program fees	160,585	160,585	174,687	-	174,687	14,102
Material fees	20,743	20,743	21,635	-	21,635	892
Other student fees	861,724	861,724	825,220	-	825,220	(36,504)
Institutional	11,056,067	11,828,352	11,198,456	-	11,198,456	(629,896)
Total Revenues	28,640,921	33,226,901	32,704,016	-	32,704,016	(522,885)
Expenditures						
Instruction	24,308,473	27,428,947	26,725,771	-	26,725,771	703,176
Instructional resources	-	595	265	-	265	330
Student services	1,602,150	2,895,752	2,895,752	-	2,895,752	-
General institutional	1,790,327	1,976,488	1,975,396	-	1,975,396	1,092
Physical plant	352,201	295,514	178,153	-	178,153	117,361
Total Expenditures	28,053,151	32,597,296	31,775,337	-	31,775,337	821,959
Excess of Revenues Over Expenditures	587,770	629,605	928,679	-	928,679	299,074
Other Financing Sources (Uses)						
Transfers in	135,000	15,000	15,000	-	15,000	-
Transfers out	(997,770)	(1,044,891)	(1,068,681)	-	(1,068,681)	(23,790)
Total Other Financing Sources (Uses)	(862,770)	(1,029,891)	(1,053,681)	-	(1,053,681)	(23,790)
Net Change in Fund Balance	(275,000)	(400,286)	(125,002)	-	(125,002)	275,284
Fund Balance - beginning	2,233,830	2,233,830	2,233,830	-	2,233,830	-
Fund Balance - ending	\$ 1,958,830	\$ 1,833,544	\$ 2,108,828	\$ -	\$ 2,108,828	\$ 275,284
Fund Balance						
Nonspendable for prepaid items			\$ 32,430			
Unassigned for future operations			2,076,398			
			<u>\$ 2,108,828</u>			

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Special Revenue Non-Aidable Fund Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2022

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
Revenues						
Local government - tax levy	\$ 127,500	\$ 127,500	\$ 110,718	\$ -	\$ 110,718	\$ (16,782)
Intergovernmental revenue						
State	1,949,450	1,949,450	1,463,298	-	1,463,298	(486,152)
Federal	26,317,010	26,317,010	18,197,320	-	18,197,320	(8,119,690)
Tuition and fees						
Other student fees	1,358,472	1,379,622	1,426,013	-	1,426,013	46,391
Institutional	1,934,000	1,934,000	1,977,584	-	1,977,584	43,584
Total Revenues	31,686,432	31,707,582	23,174,933	-	23,174,933	(8,532,649)
Expenditures						
Student services	31,684,859	31,665,794	22,958,185	-	22,958,185	8,707,609
General institutional	186,573	207,723	207,722	-	207,722	1
Total Expenditures	31,871,432	31,873,517	23,165,907	-	23,165,907	8,707,610
Excess (Deficiency) of Revenues Over Expenditures	(185,000)	(165,935)	9,026	-	9,026	174,961
Other Financing Sources (Uses)						
Transfers in	185,000	185,000	79,893	-	79,893	(105,107)
Net Change in Fund Balance	-	19,065	88,919	-	88,919	69,854
Fund Balance - beginning	1,473,534	1,473,534	1,473,534	-	1,473,534	-
Fund Balance - ending	\$ 1,473,534	\$ 1,492,599	\$ 1,562,453	\$ -	\$ 1,562,453	\$ 69,854
Fund Balance						
Restricted for student financial assistance			\$ 270,574			
Restricted for student organizations			1,291,879			
			<u>\$ 1,562,453</u>			

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for financial resources to be used for the acquisition of sites, building construction, remodeling or improvement and major equipment (other than those financed by enterprise funds and trust funds).

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Capital Projects Fund Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2022

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
Revenues						
Intergovernmental revenue						
State	\$ 150,000	\$ 390,706	\$ 396,872	\$ -	\$ 396,872	\$ 6,166
Federal	-	-	1,602,520	-	1,602,520	1,602,520
Institutional	98,925	98,925	66,118	-	66,118	(32,807)
Total Revenues	<u>248,925</u>	<u>489,631</u>	<u>2,065,510</u>	<u>-</u>	<u>2,065,510</u>	<u>1,575,879</u>
Expenditures						
Instruction	2,678,692	3,009,876	2,866,050	-	2,866,050	143,826
Instructional resources	523,213	545,046	265,101	-	265,101	279,945
General institutional	8,543,652	5,595,879	5,369,771	-	5,369,771	226,108
Physical plant	6,413,368	7,679,369	5,904,743	-	5,904,743	1,774,626
Auxiliary services	-	-	-	-	-	-
Total Expenditures	<u>18,158,925</u>	<u>16,830,170</u>	<u>14,405,665</u>	<u>-</u>	<u>14,405,665</u>	<u>2,424,505</u>
Excess (Deficiency) of Revenues						
Over Expenditures	<u>(17,910,000)</u>	<u>(16,340,539)</u>	<u>(12,340,155)</u>	<u>-</u>	<u>(12,340,155)</u>	<u>4,000,384</u>
Other Financing Sources (Uses)						
Transfers out	(90,000)	-	(130,836)	-	(130,836)	(130,836)
Long-term debt issued	18,000,000	18,000,000	18,000,000	-	18,000,000	-
Total Other Financing Sources (Uses)	<u>17,910,000</u>	<u>18,000,000</u>	<u>17,869,164</u>	<u>-</u>	<u>17,869,164</u>	<u>(130,836)</u>
Net Change in Fund Balance	-	1,659,461	5,529,009	-	5,529,009	3,869,548
Fund Balance - beginning	<u>7,530,401</u>	<u>7,530,401</u>	<u>7,530,401</u>	<u>-</u>	<u>7,530,401</u>	<u>-</u>
Fund Balance - ending	<u>\$ 7,530,401</u>	<u>\$ 9,189,862</u>	<u>\$ 13,059,410</u>	<u>\$ -</u>	<u>\$ 13,059,410</u>	<u>\$ 3,869,548</u>
Fund Balance						
Restricted for encumbrances			\$ 9,641,522			
Unassigned for future operations			3,417,888			
			<u>\$ 13,059,410</u>			

DEBT SERVICE FUND

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

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Debt Service Fund Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2022

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
Revenues						
Local government - tax levy	\$ 16,647,572	\$ 16,647,572	\$ 16,647,572	\$ -	\$ 16,647,572	\$ -
Institutional	10,367	10,367	(11,747)	-	(11,747)	(22,114)
Total Revenues	16,657,939	16,657,939	16,635,825	-	16,635,825	(22,114)
Expenditures						
Physical plant	17,644,698	18,602,854	18,598,213	-	18,598,213	4,641
Excess (Deficiency) of Revenues Over Expenditures	(986,759)	(1,944,915)	(1,962,388)	-	(1,962,388)	(17,473)
Other Financing Sources						
Transfers in	90,000	1,169,349	1,160,869	-	1,160,869	(8,480)
Debt issuance	262,300	262,300	-	-	-	(262,300)
Debt premium issued	-	-	1,190,887	-	1,190,887	1,190,887
Total Other Financing Sources	352,300	1,431,649	2,351,756	-	2,351,756	920,107
Net Change in Fund Balance	(634,459)	(513,266)	389,368	-	389,368	902,634
Fund Balance - beginning	18,116,486	18,116,486	18,116,486	-	18,116,486	-
Fund Balance - ending	<u>\$ 17,482,027</u>	<u>\$ 17,603,220</u>	<u>\$ 18,505,854</u>	<u>\$ -</u>	<u>\$ 18,505,854</u>	<u>\$ 902,634</u>
Fund Balance						
Restricted for debt service			<u>\$ 18,505,854</u>			

ENTERPRISE FUNDS

The Enterprise Funds are used to account for activities where the intent of the District is that the costs of providing goods or services on a continuing basis be financed or recovered primarily through fees charged to the users of the goods or services. The operations of the District's food service and child care center, as well as various other minor services are accounted for in the enterprise funds.

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Enterprise Funds Schedule of Revenues, Expenditures and Changes in Net Position -
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2022

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
Revenues						
Federal	\$ 53,000	\$ 53,000	\$ 102,397	\$ -	\$ 102,397	\$ 49,397
Institutional	2,745,662	2,787,287	2,180,682	-	2,180,682	(606,605)
Total Revenues	2,798,662	2,840,287	2,283,079	-	2,283,079	(557,208)
Expenditures						
Auxiliary services	2,884,662	2,926,287	2,346,137	-	2,346,137	580,150
Excess (Deficiency) of Revenues Over Expenditures	(86,000)	(86,000)	(63,058)	-	(63,058)	22,942
Other Financing Sources (Uses)						
Transfers in	121,000	121,000	120,995	-	120,995	(5)
Total Other Financing Sources	121,000	121,000	120,995	-	120,995	(5)
Net Change in Fund Balance	35,000	35,000	57,937	-	57,937	22,937
Net Position - beginning	1,916,667	1,916,667	1,916,667	-	1,916,667	-
Net Position - ending	\$ 1,951,667	\$ 1,951,667	\$ 1,974,604	\$ -	\$ 1,974,604	\$ 22,937
Net Position						
Unrestricted net position			<u>\$ 1,974,604</u>			

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis. The District has two internal service funds:

Health and Dental Insurance Fund – This fund is used to account for all collections and claim payments related to the District's health and dental self-insurance programs.

Printing Services Fund – This fund is used to account for the accumulation and allocation of costs associated with printing and copying.

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Internal Service Funds Schedule of Revenues, Expenditures and Changes in Net Position -
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2022

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
Revenues						
Institutional	\$ 50,000	\$ 50,000	\$ 9,965	\$ -	\$ 9,965	\$ (40,035)
Auxiliary revenue	13,564,797	13,564,797	13,193,439	-	13,193,439	(371,358)
Total Revenues	13,614,797	13,614,797	13,203,404	-	13,203,404	(411,393)
Expenditures						
Auxiliary services	13,945,008	15,236,283	15,112,589	-	15,112,589	123,694
Excess (Deficiency) of Revenues Over Expenditures	(330,211)	(1,621,486)	(1,909,185)	-	(1,909,185)	(287,699)
Other Financing Sources						
Transfers in	70,000	70,000	69,997	-	69,997	(3)
Transfers out	(2,308,000)	(2,308,000)	(79,893)	-	(79,893)	2,228,107
Total Other Financing Sources (Uses)	(2,238,000)	(2,238,000)	(9,896)	-	(9,896)	2,228,104
Net Change in Fund Balance	(2,568,211)	(3,859,486)	(1,919,081)	-	(1,919,081)	1,940,405
Net Position - beginning	5,708,065	5,708,065	5,708,065	-	5,708,065	-
Net Position - ending	<u>\$ 3,139,854</u>	<u>\$ 1,848,579</u>	<u>\$ 3,788,984</u>	<u>\$ -</u>	<u>\$ 3,788,984</u>	<u>\$ 1,940,405</u>
Net Position						
Unrestricted net position - restricted for self-insurance			\$ 3,677,418			
Unrestricted net position - print services			111,566			
Total Net Position			<u>\$ 3,788,984</u>			

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Schedule to Reconcile Budget (Non-GAAP Budgetary) Basis
Financial Statements to Basic Financial Statements
For the Year Ended June 30, 2022

	General Fund	Special Revenue Aidable Fund	Special Revenue Non-Aidable Fund	Capital Projects Fund
Revenues				
Local government - tax levy	\$ 22,754,691	\$ 1,077,930	\$ 110,718	\$ -
Intergovernmental revenue				
State	41,833,165	2,695,403	1,463,298	396,872
Federal	14,559	16,710,685	18,197,320	1,602,520
Tuition and fees				
Statutory program fees	16,232,472	174,687	-	-
Material fees	959,848	21,635	-	-
Other student fees	1,709,737	825,220	1,426,013	-
Institutional	103,701	11,198,456	1,977,584	66,118
Auxiliary revenue	-	-	-	-
Total Revenues	83,608,173	32,704,016	23,174,933	2,065,510
Expenditures				
Instruction	51,810,831	26,725,771	-	2,866,050
Instructional resources	803,570	265	-	265,101
Student services	6,890,300	2,895,752	22,958,185	-
General institutional	18,588,582	1,975,396	207,722	5,369,771
Physical plant	5,447,295	178,153	-	5,904,743
Auxiliary services	-	-	-	-
Depreciation and amortization	-	-	-	-
Student aid	-	-	-	-
Total Expenditures	83,540,578	31,775,337	23,165,907	14,405,665
Excess (Deficiency) of Revenues Over Expenditures	67,595	928,679	9,026	(12,340,155)
Other Financing Sources (Uses)				
Transfers in	1,152,394	15,000	79,893	-
Transfers out	(1,319,738)	(1,068,681)	-	(130,836)
Long-term debt issued	-	-	-	18,000,000
Debt premium issued	-	-	-	-
Total Other Financing Sources (Uses)	(167,344)	(1,053,681)	79,893	17,869,164
Net Change in Fund Balances	(99,749)	(125,002)	88,919	5,529,009
Capital contributions	-	-	-	-
Fund Balances/Net Position - beginning	26,184,607	2,233,830	1,473,534	7,530,401
Fund Balances/Net Position - ending	\$ 26,084,858	\$ 2,108,828	\$ 1,562,453	\$ 13,059,410

Debt Service Fund	Enterprise Funds	Internal Service Fund	Total	Reconciling Items	Statement of Revenues, Expenses and Changes in Net Position	
\$ 16,647,572	\$ -	\$ -	\$ 40,590,911	\$ -	\$ 40,590,911	
-	-	-	46,388,738	-	46,388,738	(1)
-	102,397	-	36,627,481	-	36,627,481	(2)
-	-	-	16,407,159	(5,363,748)	11,043,411	
-	-	-	981,483	(320,859)	660,624	
-	-	-	3,960,970	(1,294,901)	2,666,069	
(11,747)	2,180,682	9,965	15,524,759	(1,649,334)	13,875,425	(3)
-	-	13,193,439	13,193,439	(11,202,590)	1,990,849	
16,635,825	2,283,079	13,203,404	173,674,940	(19,831,432)	153,843,508	
-	-	-	81,402,652	(6,174,161)	75,228,491	
-	-	-	1,068,936	(318,206)	750,730	
-	-	-	32,744,237	(22,327,884)	10,416,353	
-	-	-	26,141,471	(6,611,203)	19,530,268	
18,598,213	-	-	30,128,404	(22,346,396)	7,782,008	(4)
-	2,346,137	15,112,589	17,458,726	(15,160,672)	2,298,054	
-	-	-	-	13,637,257	13,637,257	
-	-	-	-	14,850,583	14,850,583	
18,598,213	2,346,137	15,112,589	188,944,426	(44,450,682)	144,493,744	
(1,962,388)	(63,058)	(1,909,185)	(15,269,486)	24,619,250	9,349,764	
1,160,869	120,995	69,997	2,599,148	(2,599,148)	-	
-	-	(79,893)	(2,599,148)	2,599,148	-	
-	-	-	18,000,000	(18,000,000)	-	
1,190,887	-	-	1,190,887	(1,190,887)	-	
2,351,756	120,995	(9,896)	19,190,887	(19,190,887)	-	
389,368	57,937	(1,919,081)	3,921,401	5,428,363	9,349,764	
-	-	-	-	700,559	700,559	
18,116,486	1,916,667	5,708,065	63,163,590	67,697,442	130,861,032	
\$ 18,505,854	\$ 1,974,604	\$ 3,788,984	\$ 67,084,991	\$ 73,826,364	\$ 140,911,355	(5)

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Schedule to Reconcile Budget (Non-GAAP Budgetary) Basis Financial Statements
To Basic Financial Statements
For the Year Ended June 30, 2022

Budgets and Budgetary Accounting

Annual budgets are adopted for all funds in accordance with the requirements of the Wisconsin Technical College System Board. The District's fund structure used in preparation of the basic financial statements is different than the fund structure used for budgetary accounting. In addition, the annual budgets are prepared on a different basis from the basic financial statements. The principal difference is that encumbrances outstanding at the end of the year are recorded as expenditures, as legally prescribed. Also, the District's annual budget does not incorporate changes related to GASB Statements No. 34, 35, 37, 38, 68 and 71. The District follows these procedures in establishing the budgetary data reflected in the supplementary information section of this report.

The District follows the procedures listed below in adopting annual budgets for all funds in accordance with legal requirements.

- a. District administration submits their annual budget to the District Board for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b. A public notice is published containing a summary of the budget and identifying the time and place where a public hearing will be held on the proposed budget. Public hearings are subsequently held on the proposed budget to obtain taxpayer comments.
- c. Prior to July 1, the District's budget is legally enacted through approval by the District Board in accordance with State Statute 38.12.
- d. Budgets included in the supplementary information section of this report detail the originally approved and final budgets. Budget amendments during the year are legally authorized by the District Board. Budget transfers (between funds and functional areas within funds) and changes in budgeted revenues and expenditures (appropriations) require approval by a vote of two-thirds of the entire membership of the District Board and a Class 1 public notice published in the District's official newspaper within 10 days according to Wisconsin Statutes. Budget amendments were authorized by the District Board during the year. Budget appropriations not expended during the year are closed to fund balance unless authorized by the District Board to be forwarded into the succeeding year's budget.
- e. Management exercises control over budgeted expenditures by fund and function (e.g., instruction and instructional resources), as presented in the supplementary information section of this report. Expenditures may not exceed funds available or appropriated.

The District did not have any major violation of legal or contractual provisions for the fiscal year ended June 30, 2022.

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Schedule to Reconcile Budget (Non-GAAP Budgetary) Basis Financial Statements
To Basic Financial Statements
For the Year Ended June 30, 2022

Budgets and Budgetary Accounting (Continued)

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

Operating	\$ 4,744,800
Non-operating	41,643,938
	<u>\$ 46,388,738</u>

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

Operating	\$ 26,600,067
Non-operating	10,027,414
	<u>\$ 36,627,481</u>

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

Contract revenue	\$ 10,904,894
Miscellaneous revenue	2,728,151
Gain (loss) on sale of capital assets	400,822
Investment income earned	(158,442)
	<u>\$ 13,875,425</u>

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

Physical plant	\$ 6,810,130
Interest expense	707,073
Bond issuance costs	264,805
	<u>\$ 7,782,008</u>

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

Budgetary basis fund balance	<u>\$ 67,084,991</u>
Adjustments	
General capital assets - cost	273,065,270
Accumulated depreciation on general capital assets	(118,672,598)
General obligation debt	(79,170,000)
Bond premium	(3,167,317)
Lease obligations	(8,412,847)
Net position in health insurance consortium	357,846
Accrued interest on debt payable	(149,148)
Total OPEB Liability	(5,259,462)
Net pension asset	32,271,110
Loss of refunding	519,606
Deferred outflows related to pension/OPEB	61,332,750
Deferred inflows related to pension/OPEB	(78,888,846)
Total Adjustments	<u>73,826,364</u>
Net Position per basic financial statements	<u>\$ 140,911,355</u>

STATISTICAL SECTION

STATISTICAL SECTION

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

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 level 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 comprehensive annual financial report 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 statements or schedule included in this section.

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Schedule of Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net investment in capital assets	\$76,518,135	\$72,570,558	\$68,816,899	\$65,322,073	\$62,072,933	\$56,033,368	\$55,951,323	\$49,444,803	\$44,696,782	\$39,705,591
Restricted for debt service	18,244,026	17,357,508	16,911,414	16,607,014	16,295,261	16,025,729	16,013,340	17,053,774	17,186,849	17,015,573
Restricted for pension benefits ^(a)	14,437,962	6,959,065	-	-	-	-	-	10,407,663	-	-
Unrestricted ^(b)	31,711,232	33,973,901	27,809,032	33,073,111	38,045,455	36,949,047	49,182,614	40,634,857	26,119,757	24,733,666
Total Net Position	\$140,911,355	\$130,861,032	\$113,537,345	\$115,002,198	\$116,413,649	\$109,008,144	\$121,147,277	\$117,541,097	\$88,003,388	\$81,454,830

Notes:

(a) The District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date-An Amendment of GASB statement No. 68* for the year ended June 30, 2015. The District is part of a cost-sharing multiple-employer defined benefit pension plan administered and funds held by the Wisconsin Retirement System (WRS). Information for prior years is not available. The District implemented GASB Statement No. 87, *Leases* for the year ended June 30, 2022. The District's prior year unrestricted net position was restated to reflect this change.

(b) The District implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* for the year ended June 30, 2018. The District's prior year unrestricted net position was restated to reflect this change.

See Independent Auditor's Report

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Schedule of Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Operating Revenues										
Student program fees (net of scholarship allowances)	\$11,043,411	\$10,653,990	\$10,475,894	\$10,335,289	\$10,195,860	\$10,288,997	\$9,839,905	\$9,685,491	\$10,575,379	\$9,663,635
Student material fees (net of scholarship allowances)	660,624	634,864	673,627	681,946	738,221	766,163	724,965	623,275	664,450	603,183
Other student fees (net of scholarship allowances)	2,666,069	2,621,044	2,563,632	2,691,424	2,464,767	2,344,447	2,194,034	2,004,531	2,313,664	2,190,272
Federal grants	26,600,067	25,772,840	28,029,075	30,387,194	31,567,700	33,246,787	37,458,363	42,256,029	46,680,639	48,201,924
State grants	4,744,800	4,301,890	5,054,914	5,465,656	4,983,771	4,617,201	5,634,046	4,633,935	4,999,264	5,070,732
Contract revenue	10,904,894	10,319,962	10,439,725	11,080,140	10,632,506	10,162,376	8,798,938	8,739,656	7,318,793	7,093,356
Auxiliary enterprise revenues	1,990,849	1,944,261	2,848,501	3,775,616	3,697,856	3,412,155	3,213,401	3,144,119	2,890,284	3,015,704
Miscellaneous	2,728,151	2,625,630	2,924,609	2,971,162	4,395,264	2,258,678	2,365,176	2,561,203	2,522,060	2,868,615
Total operating revenues	\$61,338,865	\$58,874,481	\$63,009,977	\$67,388,427	\$68,675,945	\$67,096,804	\$70,228,828	\$73,648,239	\$77,964,533	\$78,707,421
Operating Expenses										
Instruction	\$75,228,491	\$74,074,088	\$82,116,831	\$82,230,263	\$76,577,127	\$76,489,538	\$76,087,448	\$70,918,968	\$75,322,588	\$74,561,811
Instructional resources	750,730	694,261	1,121,488	1,246,755	1,084,764	1,147,755	1,299,224	1,024,218	1,221,049	1,270,111
Student services	10,416,353	8,627,875	9,821,753	10,847,144	9,814,999	10,509,226	9,672,917	9,031,945	10,316,698	10,080,334
General institutional	19,530,268	19,313,716	20,202,780	18,872,634	17,131,145	18,578,348	19,830,391	18,214,252	17,457,111	18,159,304
Physical plant	6,810,130	6,014,476	6,788,206	7,624,508	7,249,934	8,293,303	7,823,346	7,481,397	8,908,582	5,592,058
Auxiliary enterprise services	2,298,054	2,140,675	3,629,800	3,960,824	3,688,062	3,615,355	3,304,706	3,031,900	2,994,348	3,077,768
Depreciation and amortization	13,637,257	12,078,966	11,576,758	10,996,713	10,438,005	9,936,436	9,619,836	8,852,471	7,408,223	6,755,320
Student aid	14,850,583	12,108,900	11,457,836	11,272,007	11,781,709	12,869,998	14,946,854	18,703,311	21,035,070	23,716,759
Total operating expenses	\$143,521,866	\$135,052,957	\$146,715,452	\$147,050,848	\$137,765,745	\$141,439,959	\$142,584,722	\$137,258,462	\$144,663,669	\$143,213,465
Operating loss	(\$82,183,001)	(\$76,178,476)	(\$83,705,475)	(\$79,662,421)	(\$69,089,800)	(\$74,343,155)	(\$72,355,894)	(\$63,610,223)	(\$66,699,136)	(\$64,506,044)
Nonoperating Revenues/(Expenses)										
Property taxes	\$40,590,911	\$41,921,027	\$41,001,136	\$40,273,853	\$39,470,584	\$38,779,966	\$38,232,892	\$37,678,413	\$65,630,953	\$64,193,987
State operating appropriations	41,643,938	39,813,505	39,863,291	38,794,081	38,103,049	38,484,280	39,048,921	38,503,970	9,422,101	9,261,977
HEERF funding	10,027,414	12,209,329	1,389,726	-	-	-	-	-	-	-
Gain (loss) on sale of capital assets	400,822	109,841	494,223	(394,573)	(9,216)	(349,344)	85,888	46,785	56,327	203,761
Investment income earned	(158,442)	93,088	1,076,674	1,370,774	520,223	233,847	475,680	256,128	301,152	165,837
Interest expense	(707,073)	(550,327)	(1,685,624)	(1,690,560)	(1,752,051)	(1,870,094)	(2,036,332)	(2,191,703)	(2,261,785)	(1,624,079)
Bond issuance costs	(264,805)	(490,093)	(177,550)	(186,975)	(182,775)	(175,375)	(166,975)	(177,325)	(215,850)	(667,122)
Total nonoperating revenues/(expenses)	\$91,532,765	\$93,106,370	\$81,961,876	\$78,166,600	\$76,149,814	\$75,103,280	\$75,640,074	\$74,116,268	\$72,932,898	\$71,534,361
Income before Capital Contributions	\$9,349,764	\$16,927,894	(\$1,743,599)	(\$1,495,821)	\$7,060,014	\$760,125	\$3,284,180	\$10,506,045	\$6,233,762	\$7,028,317
Capital Contributions	700,559	395,793	278,746	84,370	345,991	248,845	322,000	108,105	314,796	312,532
Change in Net Position	\$10,050,323	\$17,323,687	(\$1,464,853)	(\$1,411,451)	\$7,406,005	\$1,008,970	\$3,606,180	\$10,614,150	\$6,548,558	\$7,340,849

See Independent Auditor's Report

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Direct and Overlapping Property Tax Rates Last Ten Fiscal Years

(rate per \$1,000 of equalized value)

Fiscal Year	FVTC			Overlapping Rates ^(a)						
	Operational ^(b)	Debt Service	Total	County	Local ^(c)	Other School Districts	State	Gross Total	State Tax Relief	Net Tax Rate
2013	1.50	0.47	1.97	5.59	5.34	9.43	0.20	22.53	(1.50)	21.03
2014	1.50	0.47	1.97	5.54	5.41	9.54	0.20	22.66	(1.50)	21.16
2015	0.62	0.50	1.12	5.57	5.46	9.71	0.20	22.06	(1.49)	20.58
2016	0.63	0.49	1.12	5.50	5.50	9.65	0.20	21.97	(1.68)	20.29
2017	0.64	0.48	1.11	5.50	5.56	9.36	0.20	21.73	(1.65)	20.08
2018	0.63	0.46	1.08	5.45	5.50	9.03	0.20	21.26	(1.74)	19.52
2019	0.62	0.44	1.06	5.38	5.44	8.70	0.20	20.78	(1.66)	19.12
2020	0.61	0.42	1.02	4.91	5.35	8.50	0.20	19.98	(1.56)	18.42
2021	0.60	0.39	0.99	4.75	5.29	8.39	0.20	19.62	(1.47)	18.15
2022	0.53	0.37	0.90	4.52	5.16	7.92	0.20	18.70	(1.38)	17.33

Source: Wisconsin Department of Revenue, Division of State and Local Finance, Bureau of Local Government Services.

Notes:

(a) Overlapping rates are those of local and county governments that apply to property owners within the District. Not all overlapping rates apply to all property owners within the District. For example, the county rate is made up of the rates for parts of Calumet, Outagamie, Waupaca, Waushara, and Winnebago Counties. The individual county rates apply only to the property owners within each of those counties. These overlapping tax rates are an average of the rates for each municipality making up the detail in this column since each government can have a different rate.

(b) For years up to FY2014, the operational property tax levy for all funds (except the debt service fund) may not exceed \$1.50 per s.28.16 of Wisconsin State Statutes.

For fiscal years 2015 and beyond, the growth in the sum of operating levy plus property tax relief aid is limited to the district's valuation factor (percentage change in net new construction).

(c) Cities, towns, villages, and other special taxing districts (e.g., utility districts).

See Independent Auditor's Report

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Equalized Value of Taxable Property

Last Ten Fiscal Years

(in thousands of dollars)

Year Ended December 31	Residential	Commercial	Manufacturing	Other	Personal Property	TID's	Total Equalized Value ^(a)	Total District Equalized Value ^(b)	Tax Rate ^(c)
2012	\$23,731,700	\$6,214,341	\$1,427,475	\$1,563,461	\$953,042	(\$1,164,908)	\$32,725,111	\$32,558,306	1.96941
2013	23,737,066	6,289,393	1,441,343	1,583,619	1,003,784	(1,089,854)	32,965,350	32,786,202	1.97347
2014	24,252,750	6,294,309	1,437,216	1,594,514	994,736	(1,123,731)	33,449,794	33,265,574	1.12397
2015	24,807,739	6,418,434	1,431,971	1,601,326	958,567	(1,102,740)	34,115,296	33,931,537	1.11782
2016	25,543,188	6,504,070	1,498,773	1,643,379	937,235	(1,162,097)	34,964,547	34,771,330	1.11496
2017	26,847,998	6,967,742	1,510,972	1,657,057	1,004,703	(1,344,023)	36,644,448	36,446,534	1.08434
2018	28,259,712	7,377,785	1,518,307	1,703,309	750,100	(1,352,367)	38,256,847	38,067,280	1.05628
2019	30,031,591	7,728,839	1,561,582	1,732,713	757,858	(1,506,819)	40,305,764	40,099,072	1.02325
2020	31,657,779	8,350,966	1,648,293	1,740,554	798,735	(1,839,708)	42,356,618	42,149,655	0.99379
2021	34,406,147	8,510,498	1,720,320	1,762,214	799,555	(2,021,401)	45,177,332	44,952,932	0.90291

Source: Wisconsin Department of Revenue, Bureau of Property Tax

Notes:

(a) Equalized value information for the counties of Calumet, Outagamie, Waupaca, Waushara, and Winnebago.

(b) The District also encompasses portions of Brown, Manitowoc, Portage, and Shawano counties.

(c) Tax rates are shown per \$1,000 of FVTC equalized value.

See Independent Auditor's Report

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Principal Property Taxpayers Current Year and Nine Years Ago

Taxpayer	2021			2012		
	Equalized Valuation	Rank	Percentage of Total Equalized Valuation	Equalized Valuation	Rank	Percentage of Total Equalized Valuation
Thomas Wright Enterprises (Outagamie County)	\$117,334,000	1	0.25%	\$57,269,718	4	0.17%
Fox River Shopping Center	93,333,100	2	0.20%	79,888,074	1	0.24%
Kimberly Clark	87,982,852	3	0.19%	65,527,174	2	0.19%
Oshkosh Corporation	86,281,763	4	0.18%	49,867,217	7	0.15%
Pfefferle Investments	76,470,700	5	0.16%	48,155,217	8	0.14%
Rollie Winters Properties	70,855,700	6	0.15%	59,952,404	3	0.18%
Secura Insurance	69,911,744	7	0.15%			
Curwood, Inc. (Bemis)	67,602,102	8	0.14%	47,372,402	9	0.14%
Midwest Realty (Security Homes Inc.)	64,603,778	9	0.14%	55,717,769	5	0.17%
Nestle/Hickory Drive Holdings	59,925,300	10	0.13%			
Dumke & Associates	-		-	55,547,076	6	0.16%
Thomas N. Rusch et al.	-		-	45,514,591	10	0.13%
Total	<u>\$794,301,039</u>		<u>1.69%</u>	<u>\$564,811,642</u>		<u>1.67%</u>
Total equalized property valuation for the District (TID In)	\$46,974,225,266			\$33,727,056,538		

Source: Preliminary Official Statement dated June 30, 2022. Provided by R. W. Baird & Co., Inc.

See Independent Auditor's Report

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Property Tax Levies and Collections^(a) Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Total Collections to Date ^(b)	
		Amount	Percentage of Levy	Amount	Percentage of Levy
2013	\$64,120,652	\$47,931,799	74.75%	\$64,120,652	100.00%
2014	64,702,517	48,636,733	75.17%	64,702,517	100.00%
2015	(c) 37,389,471	28,255,943	75.57%	37,389,471	100.00%
2016	37,929,226	28,573,180	75.33%	37,929,226	100.00%
2017	38,768,621	29,368,617	75.75%	38,768,621	100.00%
2018	39,520,514	30,213,414	76.45%	39,520,514	100.00%
2019	40,209,543	30,375,296	75.54%	40,209,543	100.00%
2020	41,031,181	30,874,378	75.25%	41,031,181	100.00%
2021	41,888,005	32,230,191	76.94%	41,888,005	100.00%
2022	40,588,303	31,383,416	77.32%	40,588,303	100.00%

Notes:

(a) Under Wisconsin law, personal property taxes and certain installment real estate taxes are collected by city, village, and town treasurers or clerks, who then settle with the other taxing units, such as counties, technical colleges, and local school districts. Settlements are due from the municipality by the 15th of the month following the due date based on the municipality's payment plan. Certain installment real estate taxes and delinquent taxes are collected by the county treasurers, who then settle with the city, village, and town treasurers and other taxing units before retaining any for county purposes. In practice, any delinquent real estate taxes are withheld from the county's share. Therefore, the District receives 100% of its levy upon receipt of settlement from the county treasurers, although the taxes collected as a percentage of total tax levy will vary in any given fiscal year due to timing of payments received from municipalities.

(b) Full levy typically collected in mid-August.

(c) On March 24, 2014, Wisconsin Governor Scott Walker signed 2013 Wisconsin Act 145. The Act shifted a portion of funding from property taxes levied by the District to a State Aid payment. The total impact across the State will amount to approximately \$406 million of property tax relief.

See Independent Auditor's Report

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Ratio of Net Debt to Equalized Valuation and Debt per Capita
Last Ten Fiscal Years

Fiscal Year	Population ^(a)	Equalized Valuation ^(b)	Outstanding Debt ^(c)	Less Amounts Available ^(d)	Net Debt Outstanding	Percent of Net Debt to Equalized Valuation	Debt per Capita
2013	461,299	\$32,558,306,438	\$98,278,624	\$17,015,573	\$81,263,051	0.25%	\$176.16
2014	466,556	32,786,202,317	98,113,731	17,186,849	80,926,882	0.25%	173.46
2015	468,200	33,265,574,421	94,520,677	17,053,774	77,466,903	0.23%	165.46
2016	470,726	33,931,537,136	89,673,957	16,013,340	73,660,617	0.22%	156.48
2017	473,131	34,771,330,493	86,132,192	16,025,729	70,106,463	0.20%	148.18
2018	474,111	36,446,534,387	83,547,869	16,295,261	67,252,608	0.18%	141.85
2019	477,516	38,067,280,411	80,910,935	16,607,014	64,303,921	0.17%	134.66
2020	481,141	40,099,071,801	78,091,338	16,911,414	61,179,924	0.15%	127.16
2021	481,173	42,149,654,524	85,718,304	17,357,508	68,360,796	0.16%	142.07
2022 ^(e)	481,173	44,952,932,467	87,582,847	18,244,026	69,338,821	0.15%	144.10

Notes:

(a) Source - Wisconsin Technical College System (WTCS) Board.

(b) TID (Tax Incremental District) Out, excluding value of exempt computer equipment. Equalized valuations are shown on a calendar year basis for the prior year (i.e. 2017 fiscal year would be 2016 calendar year information).

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

(d) Equals the amount Restricted for Debt Service on the Statement of Net Position.

(e) Census Bureau delayed data release for FY2022 till December 2022. This reflects 2021 data.

See Independent Auditor's Report

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Direct and Overlapping Debt As of December 31, 2021

Governmental Unit	Debt Outstanding	Percentage Applicable to the District	Amount Applicable to the District
Overlapping debt			
County of			
Brown	\$ 57,910,000	0.4%	\$ 231,640
Calumet	43,620,000	84.0%	36,640,800
Manitowoc	22,198,500	1.0%	221,985
Outagamie	64,837,670	95.5%	61,919,975
Portage	10,635,000	1.5%	159,525
Shawano	17,295,587	7.5%	1,297,169
Waupaca	25,634,387	96.9%	24,839,721
Waushara	19,863,166	78.0%	15,493,269
Winnebago	27,520,716	94.6%	26,034,597
Total All Counties	\$ 289,515,026		\$ 166,838,682
Cities within			
Calumet	\$ 34,985,276	100.0%	\$ 34,985,276
Outagamie	25,053,578	99.7%	24,981,778
Waupaca	32,085,688	100.0%	32,085,687
Waushara	1,295,000	100.0%	1,295,000
Winnebago	155,868,218	100.0%	155,868,218
Total All Cities	\$ 249,287,760		\$ 249,215,959
Villages within			
Calumet	\$ 7,536,700	100.0%	\$ 7,536,700
Outagamie	12,453,491	99.7%	12,417,801
Waupaca	1,151,925	100.0%	1,151,925
Waushara	1,372,350	100.0%	1,372,350
Winnebago	39,819,097	100.0%	39,819,097
Total All Villages	\$ 62,333,563		\$ 62,297,873
Towns within			
Brown	\$ -	0.0%	\$ -
Calumet	606,785	86.4%	524,369
Manitowoc	756,501	100.0%	756,501
Outagamie	27,330,601	99.7%	27,252,275
Portage	485,629	100.0%	485,629
Shawano	600,008	100.0%	600,008
Waupaca	1,033,530	98.9%	1,021,962
Waushara	400,667	99.3%	397,752
Winnebago	8,674,350	99.0%	8,589,924
Total All Towns	\$ 39,888,071		\$ 39,628,421

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Direct and Overlapping Debt As of December 31, 2021

Governmental Unit	Debt Outstanding	Percentage Applicable to the District	Amount Applicable to the District
School District of			
Appleton	\$ 6,360,000	100.0%	\$ 6,360,000
Brillion	1,584,015	100.0%	1,584,015
Chilton	22,372,000	100.0%	22,372,000
Clintonville	18,890,000	100.0%	18,890,000
Freedom	695,000	100.0%	695,000
Hilbert	12,612,620	100.0%	12,612,620
Hortonville	60,465,000	100.0%	60,465,000
Iola-Scandinavia	1,665,000	100.0%	1,665,000
Kaukauna	33,750,000	100.0%	33,750,000
Kimberly	11,905,000	100.0%	11,905,000
Little Chute	17,161,550	100.0%	17,161,550
Manawa-Little Wolf	550,000	100.0%	550,000
Marion	-	100.0%	-
Menasha Joint	28,395,082	100.0%	28,395,082
Neenah	154,195,000	100.0%	154,195,000
New London	1,425,000	100.0%	1,425,000
Omro	11,721,415	100.0%	11,721,415
Oshkosh	109,640,720	100.0%	109,640,720
Seymour	9,520,000	100.0%	9,520,000
Shiocton	1,315,000	100.0%	1,315,000
Stockbridge	525,384	100.0%	525,384
Waupaca	-	100.0%	-
Wautoma	3,755,000	100.0%	3,755,000
Westfield	400,000	100.0%	400,000
Weyauwega-Fremont	17,560,000	100.0%	17,560,000
Wild Rose	17,900,000	100.0%	17,900,000
Winneconne	11,805,000	100.0%	11,805,000
Wrightstown	31,432,003	100.0%	31,432,003
Total All School Districts	\$ 587,599,789		\$ 587,599,789
Subtotal overlapping debt	\$ 1,228,624,209		\$ 1,105,580,724
District direct debt	\$ 87,582,847	100.0%	\$ 87,582,847
Total direct and overlapping debt	\$ 1,316,207,056		\$ 1,193,163,571

Source: Survey of each government unit within the District's boundaries, June 2021

Notes:

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 of the District. This process recognized 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.

The percentage of overlapping debt applicable to the District is the equalized property value of property of the overlapping government located within the District's boundaries as a percentage of total equalized value of all property for the overlapping government.

See Independent Auditor's Report

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Legal Debt Margin Information

Last Ten Fiscal Years

(dollars in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Equalized Valuation ^(a)	\$46,974,225	\$43,989,362	\$41,610,860	\$39,424,525	\$37,795,272	\$35,936,674	\$35,037,874	\$34,395,417	\$33,879,731	\$33,727,057
Debt limit - 5% of equalized valuation ^(b)	\$2,348,711	\$2,199,468	\$2,080,543	\$1,971,226	\$1,889,764	\$1,796,834	\$1,751,894	\$1,719,771	\$1,693,987	\$1,686,353
Aggregate indebtedness applicable to debt limit										
General obligation promissory notes and bonds	79,170	76,660	78,080	80,765	83,270	85,725	89,140	94,295	97,380	97,055
Capital leases	8,413	9,058	11	146	278	407	534	226	734	1,224
Less resources available to fund principal and interest payments ^(c)	(18,244)	(17,358)	(16,911)	(16,607)	(16,295)	(16,026)	(16,013)	(17,054)	(17,187)	(17,016)
Total net debt applicable to limit	69,339	68,360	61,180	64,304	67,253	70,106	73,661	77,467	80,927	81,263
Legal debt margin	\$2,279,372	\$2,131,108	\$2,019,363	\$1,906,922	\$1,822,511	\$1,726,727	\$1,678,233	\$1,642,304	\$1,613,059	\$1,605,089
Total net debt applicable to the limit as a percentage of debt limit	2.95%	3.11%	2.94%	3.26%	3.56%	3.90%	4.20%	4.50%	4.78%	4.82%
Debt limit - 2% of equalized valuation ^(b)	\$939,485	\$879,787	\$832,217	\$788,491	\$755,905	\$718,733	\$700,757	\$687,908	\$677,595	\$674,541
Gross bonded indebtedness applicable to debt limit										
Gross bonded debt	30,435	34,745	36,840	40,570	43,910	47,160	50,310	54,825	59,345	65,225
Less resources available to fund principal and interest payments	(18,244)	(17,358)	(16,911)	(16,607)	(16,295)	(16,026)	(16,013)	(17,054)	(17,187)	(17,016)
Total net debt applicable to limit	12,191	17,387	19,929	23,963	27,615	31,134	34,297	37,771	42,158	48,209
Legal debt margin	\$927,294	\$862,400	\$812,289	\$764,528	\$728,291	\$687,599	\$666,461	\$650,137	\$635,436	\$626,332
Total net debt applicable to the limit as a percentage of debt limit	1.30%	1.98%	2.39%	3.04%	3.65%	4.33%	4.89%	5.49%	6.22%	7.15%

Notes:

Detail regarding the District's outstanding debt can be found in the Notes to Financial Statements.

(a) Equalized valuation is TID (Tax Incremental District) In, excluding value of exempt computer equipment.

(b) Wisconsin State Statutes chapter 67.03 provides that : 1) the aggregate amount of indebtedness of any municipality shall not exceed 5% of the value of the taxable property located in the municipality as equalized for state purposes and 2) for any technical college district, the bonded indebtedness for the purpose of purchasing school sites and the construction and equipping of school buildings may not exceed 2% of the value of its taxable property as equalized for state purposes.

(c) Equals the amount Restricted for Debt Service on the Statement of Net Position.

(d) The District implemented GASB Statement No. 87, Leases for the year ended June 30, 2022. The District's prior year lease liability was restated to reflect this change.

See Independent Auditor's Report

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	District Population ^(a)	Personal Income (thousands of dollars) (b)(e)	Per Capita Personal Income ^{(b)(e)}	Public School Enrollment ^{(c)(e)}	Annual Public High School Graduates ^{(c)(e)}	Unemployment Rate ^{(d)(e)}
2012	461,299	\$16,438,096	\$41,157	65,671	5,129	6.58%
2013	466,556	16,550,244	41,206	65,653	4,932	6.42%
2014	468,200	17,339,292	42,978	66,418	4,415	5.19%
2015	470,726	18,139,871	44,860	66,442	4,519	4.22%
2016	473,131	18,644,424	45,953	66,815	4,424	3.82%
2017	474,111	19,237,999	47,199	66,892	4,459	3.03%
2018	477,516	20,066,195	49,042	66,951	4,722	2.78%
2019	481,141	20,759,461	51,025	66,693	4,657	3.07%
2020	481,173	21,600,356	52,543	66,244	4,626	5.46%
2021	481,173	(f)	(f)	64,190	4,519	4.10%

Notes:

(a) Source - Wisconsin Technical College System (WTCS) Board.

(b) Source - U. S. Department of Commerce, Bureau of Economic Analysis. Per capita personal income was computed using new estimates for 2019 and revisions for 2010-2018 were released on November 17, 2010.

(c) Source - Wisconsin Department of Public Instruction.

(d) Source - Wisconsin Department of Workplace Development.

(e) Includes only Outagamie, Waupaca, and Winnebago Counties.

(f) Data was not available as of the date this report was printed.

See Independent Auditor's Report

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Principal Employers Current Year and Nine Years Prior

Employer	Type of Business	2022		2013	
		Employees	Rank	Employees	Rank
ThedaCare ^(a)	Health care providers	6,800	1	6,000	1
Oshkosh Corporation ^(b)	Truck and large vehicle manufacturer	5,944	2	1,300	8
Affinity Health Care ^(c)	Health care providers	3,900	3	4,300	3
Kimberly Clark	Paper products manufacturer	2,475	4	3,110	4
Spectrum Software	Computer system designer	2,000	5		
Appleton Area School District	Education	1,897	6	1,707	5
Expera Specialty Solutions (aka Thilmany LLC)	Specialty papers	1,800	7		
University of Wisconsin - Oshkosh	Education	1,477	8	1,205	10
Oshkosh Area School District ^(d)	Education	1,464	9		
Outagamie County	Government	1,296	10	1,240	9
Fox River Shopping Center	Retail shopping mall	-		5,000	2
Appleton Coated LLC	Coated papers manufacturer			1,644	6
Miller Electric Manufacturing Co.	Welding equipment manufacturer			1,426	7
Total		29,053		26,932	

(a) Includes Appleton Medical Center, Theda Clark Medical Center, New London Hospital, clinics, homecare and rehabilitation facilities throughout the Fox Valley area.

(b) Includes Appleton and Oshkosh.

(c) Includes St. Elizabeth Hospital, Mercy Medical Center, clinics, homecare, occupational care and rehabilitation facilities throughout the Fox Valley area.

(d) Includes full-time and part-time.

Source: Preliminary Official Statement dated June 30, 2022. Provided by R. W. Baird & Co., Inc.

See Independent Auditor's Report

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Full-time Equivalent District Employees by Employee Group

Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
By Pay Groups:										
Full-time instructors	293	300	311	313	315	319	315	316	284	329
Part-time instructors	15	16	11	16	17	14	13	14	12	14
Management	188	190	180	191	182	165	156	145	135	121
Full-time support-union	266	259	261	281	281	274	272	262	231	248
Part-time support-union	23	23	37	35	37	37	35	31	32	33
Total	784	788	800	836	832	809	791	768	694	745

Source: Human Resources Department - employee full-time equivalent as of June 30 of each year.

* As of June 30, 2019 all previous years restated as full-time equivalent. Previously show as total headcount.

* Numbers include only filled positions at the time of the report, and is based on the individual's contract hours and weeks.

Excludes adjunct faculty, seasonal employees, and vacant positions.

See Independent Auditor's Report

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Operating Statistics Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Student enrollment ^(a)										
Associate degree	9,682	9,727	11,073	11,784	12,047	12,463	12,889	13,659	14,690	15,196
Technical diploma	2,967	3,095	3,230	3,211	3,256	3,250	3,383	3,468	3,344	3,260
Vocational adult	30,611	25,104	26,411	27,199	30,671	26,130	29,147	26,212	27,344	28,371
Non-postsecondary	1,704	1,563	1,092	1,530	2,139	2,294	2,138	2,034	1,927	2,009
Community services	722	337	2,103	2,045	1,508	1,481	1,191	673	532	866
Transcripted credit ^(b)	6,496	6,398	6,395	5,581	5,222	4,483	3,521	2,696	1,930	1,571
Total enrollment ^(c)	52,178	44,239	47,899	48,691	51,806	47,156	49,082	45,441	46,367	47,573
Percentage Change	17.95%	-7.64%	-1.63%	-6.01%	9.86%	-3.92%	8.01%	-2.00%	-2.54%	-8.74%
Full-time equivalent (FTE) enrollment ^(d)										
Associate degree	3,583	3,706	3,956	4,150	4,289	4,504	4,842	5,214	5,605	5,910
Technical diploma	651	621	671	666	670	707	669	670	669	640
Vocational adult	455	344	406	449	510	458	556	459	480	482
Non-postsecondary	232	184	302	311	320	348	341	322	226	246
Community services	12	4	15	23	23	24	9	7	7	9
Total full-time equivalent enrollments	4,932	4,858	5,349	5,599	5,812	6,042	6,418	6,673	6,986	7,288
Percentage Change	1.53%	-9.18%	-4.46%	-3.66%	-3.81%	-5.86%	-3.83%	-4.48%	-4.15%	-2.83%
Teachers ^(e)	415	419	424	437	435	435	435	430	450	481
FTE - Teacher ratio	11.9	11.6	12.6	12.8	13.3	13.9	14.8	15.5	15.5	15.1
Operating Expenditures ^(f)	\$ 115,315,921	\$ 112,582,742	\$ 115,885,978	\$ 113,634,926	\$ 110,803,413	\$ 109,252,189	\$ 107,171,620	\$ 104,136,832	\$ 110,083,566	\$ 107,197,934
Cost per FTE	\$23,379.22	\$23,174.28	\$21,664.49	\$20,296.05	\$19,065.25	\$18,082.90	\$16,699.80	\$15,605.82	\$15,757.51	\$14,708.22
Percentage Change	0.88%	6.97%	6.74%	6.46%	5.43%	8.28%	7.01%	-0.96%	7.13%	5.24%
Program Graduate follow-up statistics ^(g)										
Number of graduates	(e)	2,884	2,523	2,669	2,609	2,557	2,652	2,639	2,560	2,724
Number of follow-up respondents	(e)	1,774	1,709	1,889	1,831	1,970	2,085	2,005	1,807	1,972
Total number available for employment	(e)	1,076	988	1,209	1,309	1,423	156	1,505	1,499	1,490
Percent employed	(e)	92%	93%	94%	1	95%	94%	94%	92%	89%
Percent employed in related occupation	(e)	81%	81%	84%	80%	84%	83%	85%	78%	79%
Percent employed in District	(e)	64%	69%	67%	64%	60%	63%	66%	63%	63%
Average annual salary	(e)	\$46,455	\$44,534	\$43,219	4186200%	\$39,192	\$38,192	\$36,196	\$35,223	\$33,808
Age range of students	6-86	9 - 85	9 - 99	7 - 92	9 - 93	9 - 93	8 - 92	9 - 99	9 - 94	8 - 93
Average age of students	31	34	36	36	37	37	37	37	37	37

Notes:

- (a) Student enrollment reflects the duplicated count of individuals enrolled in FVTC courses.
- (b) Transcripted credits reflects the duplicated count of credits earned by high school students while in high school.
- (c) Any student enrolled in more than one program is counted only once in this total.
- (d) A full-time equivalent is equal to 30 annual student credits based on a mathematical calculation which varies by program and is subject to state approval and audit of student and course data.
- (e) Source: FVTC internal report Position Summary - FTE Basis.
- (f) Source: General Fund and Special Revenue Aidable Fund on a Budgetary Basis
- (g) Based upon a survey of graduates conducted approximately six months to 1 year after graduation. Statistics include graduates of the associate and technical diploma programs. Current year statistics are not available as of the publishing of this report.

See Independent Auditor's Report

FOX VALLEY TECHNICAL COLLEGE DISTRICT

Campus Statistics Last Ten Fiscal Years

	2022	2021	2020	2019	2018 *	2017	2016	2015	2014	2013
Square Footage										
Campuses:										
Appleton Main Campus	603,341	603,341	603,341	603,341	603,341	603,701	603,701	603,701	588,805	528,805
Oshkosh Riverside Campus	66,786	66,786	66,786	66,786	66,786	66,786	66,786	66,786	66,786	66,786
Facilities:										
Advanced Manufacturing Technology Center	27,053	27,053	27,053	27,053	27,053	26,721	26,721	26,721	26,721	26,721
ATW ARFF Training Center	9,020	9,020	9,020	-	-	-	-	-	-	-
Criminal Justice Office Space ^(a)	-	-	-	280	280	4,482	4,482	4,482	4,482	4,482
D. J. Bordini Center	78,813	78,813	78,813	78,813	78,813	78,813	78,813	78,813	78,813	78,813
FABTECH Education Center	12,500	12,500	12,500	12,500	12,500	14,460	14,460	14,460	14,460	14,460
Fire Training Center ^(b)	-	-	-	-	-	-	-	-	6,000	6,000
J. J. Keller - Transportation Center	122,498	122,498	122,498	122,498	122,498	122,498	122,498	122,498	122,498	80,992
Public Safety Training Center	110,263	110,263	110,263	110,263	110,263	111,295	111,295	111,295	-	-
S. J. Spanbauer Center	76,469	76,469	76,469	76,469	76,469	76,469	76,469	76,469	76,469	76,469
S. J. Spanbauer Center - Eight Bay Hangar	11,030	11,030	11,030	11,030	11,030	11,030	11,030	11,030	11,030	11,030
Service Motor Company Agriculture Center	40,966	40,966	40,966	40,966	40,966	41,902	41,902	41,902	41,902	29,194
Community First Career Exploration and Financial Literacy Center	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Wildland Fire Training Center ^(b)	-	-	-	-	-	-	-	-	6,240	6,240
Regional Centers:										
Chilton Regional Center	21,800	21,800	21,800	21,800	21,800	21,800	21,800	19,760	19,760	19,760
Clintonville Regional Center	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500
Waupaca Regional Center	15,200	15,200	15,200	15,200	15,200	15,530	15,530	15,530	15,530	15,530
Wautoma Regional Center	12,483	12,483	12,483	12,483	3,142	2,050	2,050	2,050	2,050	2,050
Other Locations:										
Appleton City Center Plaza ^(c)	-	-	-	-	-	-	4,400	4,400	4,400	4,400
Appleton Downtown-Pillars	2,000	2,000	2,000	2,000	-	-	-	-	-	-
New London Center	1,848	1,848	1,848	1,848	1,848	-	-	-	-	-

^(a) Lease ended December 2019

^(b) Leases ended January 2015

^(c) Lease ended June 2016

* Per 3-Yr Facilities Plan document, amounts were recalculated in Fiscal Year 2018.

Note: The District also uses area schools, malls, community facilities and health care facilities to conduct classes.

See Independent Auditor's Report

ADDITIONAL INDEPENDENT
AUDITOR'S REPORT FOR BASIC
FINANCIAL STATEMENTS

**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

To the Board of Trustees
Fox Valley Technical College District
Appleton, 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 discretely presented component unit of the Fox Valley Technical College District (the "District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 20, 2022. The financial statements of the Fox Valley Technical College Foundation, Inc. (the "Foundation"), a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Foundation.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or 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 the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

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

Wipfli LLP

December 20, 2022
Madison, Wisconsin

Independent Auditor's Report on Compliance For Each Major Federal and State Program and on Internal Control Over Compliance Required by Uniform Guidance and the State Single Audit Guidelines

To the Board of Trustees
Fox Valley Technical District District
Appleton, Wisconsin

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Fox Valley Technical College District's (the "District") compliance with the types of compliance requirements described identified as subject to audit in the *OMB Compliance Supplement* and the *State of Wisconsin Single Audit Guidelines*, issued by the Wisconsin Department of Administration, that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2022. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; 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* (the "Uniform Guidance"); and *State of Wisconsin Single Audit Guidelines*, issued by the Wisconsin Department of Administration. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Auditor's 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 District'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 generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the *State of Wisconsin 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 District's compliance with the requirements of each major federal or state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the *State of Wisconsin 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 District'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 District'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 the *State of Wisconsin Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of the District'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 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 or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit the attention of those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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 the *State of Wisconsin Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

Wipfli LLP

Wipfli LLP

December 20, 2022
Madison, Wisconsin

SINGLE AUDIT SECTION

Fox Valley Technical College District
Schedule of Expenditures of Federal Awards
Year ended June 30, 2022

Assistance Program	Federal AL Number	Grant Number	Grant Period	Federal Grant Amount	Federal Revenue	Match	Passed Through to Sub-Recipients	Total Expenditures
U.S. Department of Agriculture								
Farm Business Management and Benchmarking Competitive Grants Program								
<i>Passed through the University of Missouri</i>								
Expanding Farming Benchmarking Results through Collaborations and Mentoring	10.319	C00066315-4	09-01-19 - 08-31-22	\$96,153	\$10,373	-	-	\$10,373
Expanding Farming Benchmarking Results through Collaborations and Mentoring	10.319	C00071254-5	09-01-20 - 08-31-22	99,790	58,817	-	-	58,817
Breaking Down Barriers for Farm Financial Benchmarking	10.319	C00074740-1	09-01-21 - 08-31-22	97,917	60,791	-	-	60,791
Total - Farm Business Management and Benchmarking Competitive Grants Program				293,860	129,981	-	-	129,981
Child and Adult Care Food Program								
Passed through the State of Wisconsin Department of Public Instruction	10.558		10-01-21 - 9-30-22	15,280	15,280	65,422	-	80,702
Total - U.S. Department of Agriculture				309,140	145,261	65,422	-	210,683
U.S. Department of the Interior								
Indian Education Higher Education Grant Program								
Bureau of Indian Affairs	15.114		07-01-21 - 06-30-22	101,968	101,968	-	-	101,968
Total - U.S. Department of the Interior				101,968	101,968	-	-	101,968
U.S. Department of Justice								
Emmett Till Cold Case Investigations Program								
Emmett Till Cold Case Investigations Training & Technical Assistance Program FY2021	16.031	15PBJA21GK03615	10-01-21 - 09-30-24	1,365,527	647	-	-	647
OVW Technical Assistance Initiative								
OVW Training & Technical Assistance Initiative FY 2017	16.526	2017-TA-AX-K068	10-01-17 - 09-30-22	450,000	12,636	-	8,598	12,636
OVW Training & Technical Assistance Initiative FY 2019	16.526	2017-TA-AX-K068	10-01-19 - 09-30-22	625,000	215,608	-	-	215,608
Total - OVW Technical Assistance Initiative				1,075,000	228,244	-	8,598	228,244
Missing Children's Assistance								
Missing & Exploited Children Training & Technical Assistance Program FY 2019	16.543	2017-MC-FX-K002	10-01-19 - 09-30-22	1,800,000	248,476	-	30,145	248,476
AMBER Training & Technical Assistance Program FY 2019	16.543	2017-MC-FX-K003	10-01-19 - 09-30-22	4,400,000	1,028,522	-	6,837	1,028,522
Internet Crimes Against Children Program Support FY 2019	16.543	2017-MC-FX-K004	10-01-19 - 09-30-21	1,860,000	56,773	-	-	56,773
Strengthening Tools & Technology for Combating Child Exploitation:Category 1 FY 2018	16.543	2018-MC-FX-K058	10-01-18 - 03-31-22	750,000	175,817	-	-	175,817
Internet Crimes Against Children Specialized Training on Tools & Technology FY 2019	16.543	2019-MC-FX-K007	10-01-19 - 09-30-23	500,000	107,521	-	-	107,521
Internet Crimes Against Children Specialized Training on Tools & Technology FY 2020	16.543	2019-MC-FX-K007	10-01-20 - 09-30-23	500,000	127,071	-	-	127,071
Internet Crimes Against Children Specialized Training on Tools & Technology FY 2021	16.543	2019-MC-FX-K007	10-01-21 - 09-30-23	375,000	10,922	-	-	10,922
Internet Crimes Against Children Entry Level & Core Training FY 2019	16.543	2019-MC-FX-K010	10-01-19 - 09-30-23	2,000,000	293,841	-	-	293,841
Internet Crimes Against Children Entry Level & Core Training FY 2020	16.543	2019-MC-FX-K010	10-01-20 - 09-30-23	2,000,000	1,551,447	-	-	1,551,447
Internet Crimes Against Children Entry Level & Core Training FY 2021	16.543	2019-MC-FX-K010	10-01-21 - 09-30-23	1,700,000	38,235	-	-	38,235
Strengthening Investigative Tools & Technology for Combating Child Exploitation FY 2019	16.543	2019-MC-FX-K064	10-01-19 - 12-31-21	1,152,063	422,945	-	86,483	422,945
Missing & Exploited Children Training & Technical Assistance Program FY 2020	16.543	2020-MC-FX-K001	10-01-20 - 09-30-22	1,800,000	1,108,865	-	38,031	1,108,865
Missing & Exploited Children Training & Technical Assistance Program FY 2021	16.543	2020-MC-FX-K001	10-01-21 - 09-30-22	1,800,000	67,596	-	-	67,596
Internet Crimes Against Children Task Force Program Support FY 2020	16.543	2020-MC-FX-K002	10-01-20 - 09-30-22	2,000,000	1,318,737	-	-	1,318,737
Internet Crimes Against Children Task Force Program Support FY 2021	16.543	2020-MC-FX-K002	10-01-21 - 09-30-22	1,850,000	268,694	-	-	268,694
AMBER Training & Technical Assistance Program FY 2020	16.543	2020-MC-FX-K003	10-01-20 - 09-30-22	4,400,000	2,100,186	-	-	2,100,186
AMBER Training & Technical Assistance Program FY 2021	16.543	2020-MC-FX-K003	10-01-21 - 09-30-22	4,400,000	414,121	-	-	414,121
Strengthening ICAC Technological Investigative Capacity Category 1 FY 2021	16.543	15PJDP21GK03270	10-01-21 - 09-30-23	900,000	167,920	-	-	167,920
Total - Missing Children's Assistance				34,187,063	9,507,689	-	161,496	9,507,689
Crime Victim Assistance/Discretionary Grants								
American Indian/Alaska Native Training & Technical Assistance Program FY 2018	16.582	2018-MU-GX-K064	10-01-18 - 09-30-22	2,150,000	455,154	-	123,514	455,154
<i>Passed through the Wisconsin Department of Justice</i>								
State Victim Assistance Academy	16.582	2018VT0416483	01-01-21 - 09-30-22	21,408	777	-	-	777
Wisconsin Serving Victims of Crime Conference	16.582	2018VT0416476	01-01-21 - 09-30-21	23,035	14,544	11,005	-	25,549
Total - Crime Victim Assistance/Discretionary Grants				2,194,443	470,475	11,005	123,514	481,480
Correctional Grant Program for Indian Tribes								
Tribal Corrections Capacity Building-Community Corrections Capacity FY 2021	16.596	2018-S4-BX-K002	10-01-21 - 09-30-23	300,000	387	-	-	387

Fox Valley Technical College District
Schedule of Expenditures of Federal Awards
Year ended June 30, 2022

Assistance Program	Federal AL Number	Grant Number	Grant Period	Federal Grant Amount	Federal Revenue	Match	Passed Through to Sub-Recipients	Total Expenditures
Tribal Court Assistance Program								
Tribal Corrections Capacity Building-Community Corrections Capacity FY 2018	16.608	2018-S4-BX-K002	10-01-18 - 09-30-23	600,000	43,274	-	26,485	43,274
Tribal Corrections Capacity Building-Community Corrections Capacity FY 2020	16.608	2018-S4-BX-K002	10-01-20 - 09-30-23	300,000	243,541	-	-	243,541
Tribal Justice System Capacity Building-Strategic Planning FY 2019	16.608	2019-IC-BX-K002	10-01-19 - 09-30-24	589,998	141,558	-	34,768	141,558
Tribal Justice System Capacity Building-Strategic Planning FY 2020	16.608	2019-IC-BX-K002	10-01-20 - 09-30-24	375,000	223,156	-	15,740	223,156
Tribal Justice System Capacity Building-Strategic Planning FY 2021	16.608	2019-IC-BX-K002	10-01-21 - 09-30-24	800,000	18,635	-	-	18,635
Tribal Justice Training & Technical Assist: Alcohol & Substance Abuse Crime FY 2019	16.608	2019-MU-BX-K031	10-01-19 - 09-30-24	1,250,000	347,601	-	7,217	347,601
Tribal Justice Training & Technical Assist: Alcohol & Substance Abuse Crime FY 2020	16.608	2019-MU-BX-K031	10-01-20 - 09-30-24	400,000	246,556	-	-	246,556
<i>Passed through the University of North Dakota</i>								
Tribal Justice Training & Technical Assistance: Responding to Violent Crime	16.608	2019-IC-BX-K003	10-01-19 - 09-30-24	50,000	23,665	-	-	23,665
Total - Tribal Court Assistance Program				4,364,998	1,287,986	-	84,210	1,287,986
Public Safety Partnership and Community Policing Grants								
COPS Online Training Development FY 2017	16.710	2017-CK-WX-K007	09-01-17 - 02-28-22	313,487	9,024	-	-	9,024
Edward Byrne Memorial Justice Assistance Grant Program								
<i>Passed through the Police Foundation</i>								
FY2018 Police Foundation Subaward	16.738	SUB2016MUBXK005	10-01-19 - 09-30-21	240,000	27,255	-	-	27,255
Economic High-Tech And Cyber Crime Prevention								
Internet of Things National Training and Technical Assistance Program FY 2021	16.752	15PBJA21GK03995	10-01-21 - 03-31-23	445,932	16,834	-	-	16,834
Comprehensive Opioid Abuse Site-Based Program (COAP)								
Tribal Justice Training & Technical Assist: Alcohol & Substance Abuse Crime FY 2021	16.838	2019-MU-BX-K031	10-01-21 - 09-30-24	1,200,000	1,628	-	-	1,628
VOCA Tribal Victim Services Set-Aside Program								
Tribal Set-Aside Training & Technical Assistance Program FY 2018	16.841	2018-VO-GX-K001	10-01-18 - 09-30-22	1,325,000	109,790	-	25,445	109,790
Tribal Set-Aside Training & Technical Assistance Program FY 2020	16.841	2018-VO-GX-K001	10-01-20 - 09-30-22	750,000	565,649	-	131,670	565,649
Tribal Set-Aside Training & Technical Assistance Program FY 2021	16.841	2018-VO-GX-K001	10-01-21 - 09-30-22	1,000,000	274,832	-	39,776	274,832
Total - VOCA Tribal Victim Services Set-Aside Program				3,075,000	950,271	-	196,891	950,271
Total - U.S. Department of Justice				48,761,450	12,500,440	11,005	574,709	12,511,445
U.S. Department of Labor								
Workforce Investment Act Cluster								
WIA Adult Program								
<i>Passed through the Bay Area Workforce Development Board</i>								
Youth & Young Adult Career Pathway Development Services	17.258	21OUTYTHCS	07-01-21 - 06-30-22	55,158	52,943	-	-	52,943
WIA Youth Activities								
<i>Passed through the Bay Area Workforce Development Board</i>								
Youth & Young Adult Career Pathway Development Services	17.259	21OUTYTHCS	07-01-21 - 06-30-22	128,700	84,791	-	-	84,791
Total - Workforce Investment Act Cluster				183,858	137,734	-	-	137,734
Apprenticeship USA Grants								
<i>Passed through the Wisconsin Technical College System Board</i>								
FVTC Operational Enhancements to Support Apprenticeship Expansion	17.285	12436155252	07-01-21 - 06-30-23	43,152	4,353	-	-	4,353
Industrial Electrician Apprentice Expansion	17.285	12458155232	07-01-21 - 06-30-22	11,460	11,460	-	-	11,460
Maintenance Technician Apprentice Expansion	17.285	12460155232	07-01-21 - 06-30-22	9,875	9,875	-	-	9,875
Plumbing Apprenticeship Expansion	17.285	12461155232	07-01-21 - 06-30-22	23,157	23,157	-	-	23,157
Total - Apprenticeship USA Grants				87,644	48,845	-	-	48,845
Total - U.S. Department of Labor				271,502	186,579	-	-	186,579
U.S. Department of State								
Academic Exchange Programs - Undergraduate Programs								
<i>Passed through Northern Virginia Community College</i>								
Community College Initiative Program (CCI)	19.009	SECAGD19CA0055	07-01-21 - 06-30-22	238,624	237,682	40,496	-	278,178
Public Diplomacy Programs								
<i>Passed through the American Council for International Education</i>								
American Councils Program – United States Timor-Leste (USTL)	19.040	SLMAQM18CA2024	07-01-21 - 06-30-22	5,765	5,765	-	-	5,765

Fox Valley Technical College District
Schedule of Expenditures of Federal Awards
Year ended June 30, 2022

Assistance Program	Federal AL Number	Grant Number	Grant Period	Federal Grant Amount	Federal Revenue	Match	Passed Through to Sub-Recipients	Total Expenditures
<i>Passed through Eurasia Foundation</i>								
Year of Exchange in America for Russians (YEAR) Fellowship Program	19.040		07-01-21 - 06-30-22	34,380	27,602	-	-	27,602
<i>Passed through Partners of the Americas</i>								
100,000 Strong-International Professional Field Study	19.040	100K-DOS253-FVT	01-01-21 - 12-31-22	25,000	15,000	21,852	-	36,852
Total - Public Diplomacy Programs				65,145	48,367	21,852	-	70,219
Total - U.S. Department of State				303,769	286,049	62,348	-	348,397
U.S. Department of Transportation								
<i>Passed through the Wisconsin Technical College System Board</i>								
Interagency Hazardous Materials Public Sector Training & Planning Grants	20.703		07-01-21 - 06-30-22	6,350	6,350	-	-	6,350
Total - U.S. Department of Transportation				6,350	6,350	-	-	6,350
U.S. Department of the Treasury								
Coronavirus State and Local Fiscal Recovery Funds								
<i>Passed through Fox Valley Technical College Foundation</i>								
COVID-19: Outagamie County Rescue Plan - Emergency Assistance for Students	21.027	OC-2021NP-69	11-01-21 - 10-31-22	25,000	498	-	-	498
Total - U.S. Department of the Treasury				25,000	498	-	-	498
U.S. Department of Veterans Affairs								
Post-9/11 Veterans Educational Assistance								
Post-9/11 Veterans Educational Assistance Reporting Fee	64.028		07-01-21 - 06-30-22	5,424	5,424	-	-	5,424
Total - U.S. Department of Veterans Affairs				5,424	5,424	-	-	5,424
U.S. Department of Education								
Adult Education - Basic Grants to States								
<i>Passed through the Wisconsin Technical College System Board</i>								
Adult Basic Skills Comprehensive Services	84.002	12189146121	07-01-20 - 09-30-21	319,207	36,862	-	-	36,862
Special Focus-ABE Program for the Incarcerated FY2021	84.002	12191146111	07-01-20 - 09-30-21	74,868	10,531	3,028	-	13,559
Adult Education/ELL Comprehensive Regional Service	84.002	12371146122	07-01-21 - 09-30-22	326,348	298,782	522,639	-	821,421
Integrated English Literacy & Civics Education (IELEC)	84.002	12372146162	07-01-21 - 06-30-22	75,000	75,000	25,000	-	100,000
Special Focus-ABE Program for the Incarcerated FY2022	84.002	12373146112	07-01-21 - 06-30-22	55,000	55,000	18,333	-	73,333
Innovative Integrated Education and Training (IET)	84.002	12375146182	07-01-21 - 06-30-22	34,682	34,682	11,561	-	46,243
Total - Adult Education - Basic Grants to States				885,105	510,857	580,561	-	1,091,418
Career & Technical Education Basic Grants to States								
<i>Passed through the Wisconsin Technical College System Board</i>								
Perkins Capacity Building for Equity & Inclusion	84.048	12327150221	07-01-20 - 09-30-21	65,552	2,807	-	-	2,807
Perkins Strengthening Career & Technical Education-Welding Year 2	84.048	12329150251	07-01-20 - 09-30-21	141,566	18,251	-	-	18,251
Perkins Career Prep	84.048	12386150212	07-01-21 - 06-30-22	54,229	54,229	-	-	54,229
Perkins Capacity Building for Equity & Inclusion	84.048	12387150222	07-01-21 - 06-30-22	62,705	62,705	-	-	62,705
Perkins Support Services for Student Success	84.048	12388150232	07-01-21 - 09-30-22	523,965	500,487	319,623	-	820,110
Perkins Strengthening Career & Technical Education-Welding Year 3	84.048	12389150252	07-01-21 - 06-30-22	131,843	131,843	-	-	131,843
Perkins NTO Recruitment and Retention Services	84.048	12390150262	07-01-21 - 06-30-22	32,961	32,961	-	-	32,961
Total - Career & Technical Education Basic Grants to States				1,012,821	803,283	319,623	-	1,122,906
Rehabilitation Services Vocational Rehabilitation Grants to States								
<i>Passed through the Wisconsin Department of Workforce Development</i>								
Rehabilitation Services-Vocational Rehabilitation Grants to States	84.126		07-01-21 - 06-30-22	31,164	31,164	-	-	31,164
Higher Education Emergency Relief Fund								
COVID-19: ARP Emergency Student Aid								
COVID-19: ARP Emergency Student Aid	84.425E	P425F200962-20B	07-01-20 - 06-30-23	6,687,617	6,134,380	-	-	6,134,380
Higher Education Emergency Relief Fund								
COVID-19: CRRSAA Act: Institutional Relief Funds								
COVID-19: CRRSAA Act: Institutional Relief Funds	84.425F	P425F200864-20A	05-06-20 - 06-30-23	6,152,761	1,413,063	-	-	1,413,063
COVID-19: ARP Act: Institutional Relief Funds	84.425F	P425F200864-20B	05-06-20 - 06-30-23	6,505,662	2,417,937	-	-	2,417,937
				12,658,423	3,831,000	-	-	3,831,000
Total - Higher Education Emergency Relief Fund				19,346,040	9,965,380	-	-	9,965,380

Fox Valley Technical College District
Schedule of Expenditures of Federal Awards
Year ended June 30, 2022

Assistance Program	Federal AL Number	Grant Number	Grant Period	Federal Grant Amount	Federal Revenue	Match	Passed Through to Sub-Recipients	Total Expenditures
Student Financial Assistance Cluster								
Federal Supplemental Educational Opportunity Grants								
SEOG Grants	84.007		07-01-21 - 06-30-22	291,375	291,375	97,125	-	388,500
SEOG Grants - Administrative Cost	84.007		07-01-21 - 06-30-22	9,610	9,610	-	-	9,610
		Total - Federal Supplemental Educational Opportunity Grants		300,985	300,985	97,125	-	398,110
Federal Work-Study Program								
College Work Study	84.033		07-01-21 - 06-30-22	87,116	87,116	29,039	-	116,155
College Work Study - Administrative Cost	84.033		07-01-21 - 06-30-22	5,632	5,632	-	-	5,632
		Total - Federal Work-Study Program		92,748	92,748	29,039	-	121,787
Federal Pell Grant Program								
PELL Grants	84.063		07-01-21 - 06-30-22	5,660,842	5,660,842	-	-	5,660,842
PELL Grants - Administrative Fee	84.063		07-01-21 - 06-30-22	9,135	9,135	-	-	9,135
		Total - Federal Pell Grant Program		5,669,977	5,669,977	-	-	5,669,977
Federal Direct Student Loans								
Direct PLUS Loans	84.268		07-01-21 - 06-30-22	83,460	83,460	-	-	83,460
Direct Subsidized Loans	84.268		07-01-21 - 06-30-22	3,154,009	3,154,009	-	-	3,154,009
Direct Unsubsidized Loans	84.268		07-01-21 - 06-30-22	2,637,764	2,637,764	-	-	2,637,764
		Total - Federal Direct Student Loans		5,875,233	5,875,233	-	-	5,875,233
		Total - Student Financial Assistance Cluster		11,938,943	11,938,943	126,164	-	12,065,107
		Total - U.S. Department of Education		33,214,073	23,249,627	1,026,348	-	24,275,975
U.S. Department of Health and Human Services								
Temporary Assistance for Needy Families								
WI Shares Program	93.558		07-01-21 - 06-30-22	25,082	25,082	-	-	25,082
Chafee Foster Care Independence Program								
<i>Passed through the Bay Area Workforce Development Board</i>								
Youth & Young Adult Career Pathway Development Services	93.674	21OUTYTHCS	07-01-21 - 06-30-22	-	38,741	-	-	38,741
		Total - U.S. Department of Health and Human Services		25,082	63,823	-	-	63,823
U.S. Department of Homeland Security								
Assistance to Firefighters Grant								
<i>Passed through the Wisconsin Technical College System Board</i>								
Assistance to Firefighters	97.044	12462153112	12-01-21 - 11-30-22	25,774	25,774	3,866	-	29,640
		Total - U.S. Department of Homeland Security		25,774	25,774	3,866	-	29,640
Total Federal Awards				\$83,049,532	\$36,571,793	\$1,168,989	\$574,709	\$37,740,782

Reconciliation of Federal Revenue to Basic Financial Statements

Operating Revenues	\$26,600,067
Nonoperating Revenues	10,027,414
Add: Hazardous Materials Public Sector Training & Planning Grants	6,350
Deduct: Child Care Counts Funds-not Single Audit reportable	(62,035)
Rounding	(3)
	<u>\$36,571,793</u>

Fox Valley Technical College District
Schedule of Expenditures of State Awards
Year ended June 30, 2022

Assistance Program	State ID Number	Grant Number	Grant Period	State Grant Amount	State Revenue	Match	Passed Through to Sub-Recipients	Total Expenditures
Wisconsin Department of Transportation								
Motorcycle Safety								
Motorcycle Basic Rider Course 2021	20.395(4)(AQ)	MG-2021-FVTC-00005	01-01-21 - 06-30-21	\$18,758	\$3,044	\$0	\$0	\$3,044
Wisconsin Motorcycle Safety Program Summer/Fall 2021	20.395(4)(AQ)	MG-2021-FVTC-00018	07-01-21 - 12-31-21	19,030	11,758	20,928	-	32,686
Wisconsin Motorcycle Safety Program BRC & IME Spring/Summer 2022	20.395(4)(AQ)	MG-2022-FVTC-00017	01-01-22 - 06-30-22	14,261	13,539	42,274	-	55,813
Total - Wisconsin Department of Transportation				52,049	28,341	63,202	-	91,543
Wisconsin Department of Veterans Affairs								
Veterans Employment and Entrepreneurship Grant Program								
<i>Passed through the Fox Valley Technical College Foundation</i>								
E-seed Entrepreneurial Training: Veterans Edition Innovation Accelerator	20.485(2)(QM)		12-15-20 - 08-13-21	99,940	120	-	-	120
E-seed Entrepreneurial Training: Veterans Edition Innovation Accelerator	20.485(2)(QM)		01-01-22 - 10-31-22	89,650	46,843	-	-	46,843
Total - Wisconsin Department of Veterans Affairs				189,590	46,963	-	-	46,963
Higher Education Aids Board								
Wisconsin Tuition Grants	235.101		07-01-21 - 06-30-22	5,475	5,475	-	-	5,475
Wisconsin Grant	235.102		07-01-21 - 06-30-22	1,261,237	1,261,237	-	-	1,261,237
Remission of Fees for Veterans and Dependents	235.105		07-01-21 - 06-30-22	134,925	134,925	-	-	134,925
Minority Undergraduate Retention	235.107		07-01-21 - 06-30-22	11,250	11,250	-	-	11,250
Academic Excellence Scholarship	235.109		07-01-21 - 06-30-22	6,187	6,187	6,187	-	12,374
Talent Incentive Program	235.114		07-01-21 - 06-30-22	35,250	35,250	-	-	35,250
Nursing Student Loan	235.117		07-01-21 - 06-30-22	12,000	12,000	-	-	12,000
Technical Excellence Scholarship	235.119		07-01-21 - 06-30-22	121,814	121,814	121,813	-	243,627
Indian Student Assistance	235.132		07-01-21 - 06-30-22	1,650	1,650	-	-	1,650
Total - Higher Education Aids Board				1,589,788	1,589,788	128,000	-	1,717,788
Wisconsin Department of Public Instruction								
Minority Group Scholarships								
DPI-Career Exploration Camps: LETTIE & Camp HERO	255.903	DP-I-2-55-.903	07-01-21 - 06-30-22	30,288	8,266	-	-	8,266
Total - Wisconsin Department of Public Instruction				30,288	8,266	-	-	8,266
Wisconsin Technical College System Board								
Emergency Assistance								
FVTC Student Emergency Assistance	292.104	12-383-104-112	07-01-21 - 06-30-22	20,648	20,648	-	-	20,648
State Aid for Technical Colleges								
General State Aid Revenue	292.105		07-01-21 - 06-30-22	9,892,485	9,892,485	-	-	9,892,485
Grants to District Boards								
Addressing Employer Needs: Hospitality Management Year 1	292.124	12-257-124-130	07-01-19 - 09-30-21	255,606	6,692	-	-	6,692
Advancing to Edtech 3.0: Improving Student Learner Outcomes	292.124	12-437-124-182	07-01-21 - 09-30-22	150,000	129,706	-	-	129,706
Career Pathways: Underrepresented Students	292.124	12-317-124-121	07-01-20 - 09-30-21	161,755	28,103	-	-	28,103
Core Industry Consortium: Auto Collision	292.124	12-321-124-131	07-01-20 - 06-30-22	740,481	323,762	-	46,985	323,762
Core Industry: Cosmetology	292.124	12-320-124-131	07-01-20 - 06-30-22	313,411	161,797	-	-	161,797
Core Industry: Human Resources	292.124	12-319-124-131	07-01-20 - 06-30-22	185,222	110,753	-	-	110,753
Developing Markets: Activity Specialist	292.124	12-322-124-141	07-01-20 - 09-30-22	147,176	81,433	-	-	81,433
Digital Court Reporter	292.124	12-378-124-132	07-01-21 - 06-30-23	79,466	27,282	-	-	27,282
Electrician Apprentice Expansion	292.124	12-459-124-112	07-01-21 - 06-30-22	18,957	18,957	-	-	18,957
Expanding Contract Services Project	292.124	12-419-124-192	07-01-21 - 06-30-22	16,860	16,860	-	-	16,860
FVTC & Gateway Aeronautics Pilot Training	292.124	12-380-124-132	07-01-21 - 06-30-23	500,000	231,464	-	80,193	231,464
FVTC Knowledge Networks Year 3	292.124	12-385-124-152	07-01-21 - 09-30-22	73,063	49,107	36,532	-	85,639
FVTC Student Support Services Pathways to Success	292.124	12-384-124-162	07-01-21 - 09-30-22	225,000	186,402	75,000	-	261,402
Online Agribusiness Agronomy Technician Project	292.124	12-379-124-132	07-01-21 - 06-30-23	343,598	191,357	-	-	191,357
SkillsUSA Project FY2022	292.124	12-468-124-182	04-01-22 - 06-30-22	13,650	13,650	-	-	13,650
Surgical Technology	292.124	12-382-124-142	07-01-21 - 06-30-23	200,000	61,304	-	-	61,304
Workforce Advancement Training								
Achieving Operational Excellence through Skill Development	292.124	12-407-124-172	07-01-21 - 11-30-22	143,973	99,423	-	-	99,423
High Value Technical Skills	292.124	12-409-124-172	07-01-21 - 11-30-22	167,376	136,587	-	-	136,587
Industrial Maintenance: Cohorts for Credits	292.124	12-408-124-172	07-01-21 - 08-31-22	141,118	137,829	-	-	137,829
Metal Fabrication Career Pathways	292.124	12-410-124-172	07-01-21 - 11-30-22	75,085	61,936	-	-	61,936

Fox Valley Technical College District
Schedule of Expenditures of State Awards
Year ended June 30, 2022

Assistance Program	State ID Number	Grant Number	Grant Period	State Grant Amount	State Revenue	Match	Passed Through to Sub-Recipients	Total Expenditures
Specialized Healthcare: A Career Pathway Partnership	292.124	12-405-124-172	07-01-21 - 11-30-22	132,427	80,912	-	-	80,912
Workforce Leaders: Core Skills to Foster Performance & Encourage Pathways	292.124	12-406-124-172	07-01-21 - 11-30-22	168,310	108,151	-	-	108,151
Addressing Specialized Healthcare Needs	292.124	12-363-124-171	07-01-20 - 08-31-21	72,650	5,111	-	-	5,111
Skills to Achieve Operational Excellence	292.124	12-348-124-171	07-01-20 - 11-30-21	95,717	12,744	-	-	12,744
Workforce Leaders: Fostering Performance & Encouraging Pathways	292.124	12-347-124-171	07-01-20 - 11-30-21	184,003	52,056	-	-	52,056
<i>Passed through the Chippewa Valley Technical College</i>								
Core Industry: Consortium Mechanical Design	292.124	01-176-124-131	07-01-20 - 06-30-22	367,640	356,262	-	-	356,262
<i>Passed through the Northeast Wisconsin Technical College</i>								
Core Industry: Consortium Agriculture	292.124	13-180-124-131	07-01-20 - 06-30-22	112,535	95,185	-	-	95,185
Computer Support Specialist	292.124	13-126-124-132	07-01-21 - 06-30-23	110,000	52,943	-	-	52,943
Total - Grants to District Boards				5,195,079	2,837,768	111,532	127,178	2,949,300
Truck Driving Training Program								
FY20-21 Truck Driver Training Project	292.128	12-367-128-111	07-01-20 - 12-31-21	150,396	32,400	-	-	32,400
FY21-22 Truck Driver Training Project	292.128	12-428-128-112	07-01-21 - 06-30-22	106,201	106,201	-	-	106,201
Total - Truck Driving Training Program				256,597	138,601	-	-	138,601
Fire Fighter Training 2%	292.137		07-01-21 - 06-30-22	54,302	54,302	-	-	54,302
Property Tax Relief Aid	292.162		07-01-21 - 06-30-22	31,199,481	31,199,481	-	-	31,199,481
Total - Wisconsin Technical College System Board				46,618,592	44,143,285	111,532	127,178	44,254,817
Wisconsin Department of Natural Resources								
Aids in Lieu of Taxes								
State Aid in lieu of Property Taxes	370.503		07-01-21 - 06-30-22	39,129	39,129	-	-	39,129
Total - Wisconsin Department of Natural Resources				39,129	39,129	-	-	39,129
Wisconsin Department of Workforce Development								
Wisconsin Fast Forward								
WFF Dual Credit Teacher Training Grant	445.109	EF-181-DE1-000	06-01-18 - 08-31-21	275,000	11,688	-	-	11,688
Vocational Rehabilitation Program								
Dept of Vocational Rehab	445.509		07-01-21 - 06-30-22	8,435	8,435	-	-	8,435
Total - Wisconsin Department of Workforce Development				283,435	20,123	-	-	20,123
Wisconsin Department of Revenue								
State Aid-Personal Property Tax	835.103		07-01-21 - 06-30-22	231,211	231,211	-	-	231,211
State Aid-Computers	835.109		07-01-21 - 06-30-22	281,632	281,632	-	-	281,632
Total - Wisconsin Department of Revenue				512,843	512,843	-	-	512,843
Total State Awards				49,315,714	46,388,738	302,734	127,178	46,691,472

Reconciliation of State Revenue to Basic Financial Statements

Operating Revenues	4,744,800
Nonoperating Revenues	41,643,938
	<u>46,388,738</u>

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Notes to the Schedules of Expenditures of Federal and State Awards
For the Year Ended June 30, 2022

NOTE A - BASIS OF PRESENTATION

The accompany Schedules of Expenditures of Federal and State Awards includes the federal and state grant activity of Fox Valley Technical College District ("the District") under programs of federal and state government for the year ended June 30, 2022. The information in this Schedule 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 (Uniform Guidance) and State of Wisconsin *Single Audit Guidelines*. Because the Schedule presents only a selected portion of the operation 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 B - SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules are presented in accordance with the accrual basis of accounting and are in agreement with amounts reported in the Fox Valley Technical College District's 2021-2022 basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Match represents District contributions to federal and state programs and includes adjustments for prior year transactions.

NOTE C – INDIRECT COST RATE

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

NOTE D - OVERSIGHT AGENCIES

The U.S. Department of Health and Human Services has been designated the federal oversight agency for the District. The Wisconsin Technical College System Board is the state oversight agency for the District.

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section I – Summary of Auditors' Results

Financial Statements

Type of auditor's report issued?	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance [2 CFR 200.516(a)]?	No
Identification of major federal programs:	
<u>Name of Federal Major Program or Cluster</u>	<u>AL No.</u>
Missing Children's Assistance	16.543
COVID-19 Student Emergency Student Funding	84.425E
COVID-19 Institutional Portion of the Higher Education Emergency Relief Fund	84.425F
Dollar threshold used to distinguish between Type A and Type B programs:	
Federal	\$1,097,154
Auditee qualified as low-risk auditee?	Yes

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section I – Summary of Auditors’ Results (Continued)

State Awards

Internal control over financial reporting:
Material weaknesses identified? No
Significant deficiencies identified? None reported

Type of auditor’s report issued on compliance for major program Unmodified

Any audit findings disclosed that are required to be reported in accordance with the *State of Wisconsin Single Audit Guidelines*? No

Identification of major state programs:

<u>Name of State Program</u>	<u>State I.D. Number</u>
Minority Undergraduate Retention	235.107
Technical Excellence Scholarship	235.119
State Aids for Vocational, Technical, and Adult Education	292.105
Property Tax Relief Aid	292.162

Dollar threshold used to distinguish between Type A and Type B programs:
State \$250,000

Section II – Basic Finance Statement Findings as Required by Government Auditing Standards

Finding Number	Internal Control Finding
-------------------	--------------------------

There were no findings required to be reported in accordance with generally accepted governmental auditing standards.

Section III – Federal Award and State Financial Assistance Findings

Finding Number	Uniform Guidance Findings	Questioned Costs
-------------------	---------------------------	---------------------

There were no findings required to be reported in accordance with the Uniform Guidance.

FOX VALLEY TECHNICAL COLLEGE DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section IV – Other Issues


Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? No

Does the audit report show audit issues related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*?

Wisconsin Department of Administration	No
Wisconsin Department of Children and Families	No
Wisconsin Department of Health Services	No
Wisconsin Department of Justice	No
Wisconsin Department of Natural Resources	No
Wisconsin Department of Public Instruction	No
Wisconsin Department of Revenue	No
Wisconsin Department of Transportation	No
Wisconsin Department of Veterans Affairs	No
Wisconsin Department of Workforce Development	No
Wisconsin Higher Education Aids Board	No
Wisconsin Technical College System Board	No

Was a management letter or other document conveying audit comments issued as a result of this audit? No

Name and signature of partner


Brian Anderson, CPA

Date of report

December 20, 2022