WMVS - WMVT-TV

Financial Statements and
Supplementary Information

June 30, 2024 and 2023

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Independent Auditors' Report

To the Board of Directors of
Milwaukee Area Technical College District

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the WMVS - WMVT-TV, an enterprise fund of the Milwaukee Area Technical College District, as of and for the years ended June 30, 2024 and 2023, and the related notes to the 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 WMVS - WMVT-TV, an enterprise fund of the Milwaukee Area Technical College District, as of June 30, 2024 and 2023 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Milwaukee Area Technical College 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 opinion.

Responsibilities of Management for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 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 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.

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In performing an audit in accordance with GAAS, 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 Milwaukee Area Technical College 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.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, 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 of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2024 on our consideration of the overall Milwaukee Area Technical College 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 overall Milwaukee Area Technical College 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 overall Milwaukee Area Technical College District's internal control over financial reporting and compliance.

Restriction on Use

This report is intended solely for the information and use of the Milwaukee Area Technical College District's management, the Milwaukee Area Technical College District Board, the Wisconsin Technical College System, and for filing with the Corporation for Public Broadcasting and is not intended to be and should not be used by anyone other than these specified parties.

Baker Tilly US, LLP

Milwaukee, Wisconsin
December 11, 2024

Introduction and Reporting Entity

The following management's discussion and analysis is an overview of the financial position and activities of the WMVS - WMVT-TV, an enterprise fund of the Milwaukee Area Technical College District (District) as of and for the years ended June 30, 2024 and 2023. Management of WMVS - WMVT-TV has prepared the following discussion, and it should be read with the financial statements and related footnotes which follow this section.

The WMVS - WMVT-TV is an instrumentality of the District and is governed by the Board of Directors, who is appointed by a District Board appointment committee.

The WMVS - WMVT-TV's primary functions are to promote and establish noncommercial educational telecommunications within the District and to provide transmission facilities for noncommercial educational telecommunications programs throughout the District.

Overview of the Financial Statements

The Statement of Net Position includes Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position of WMVS - WMVT-TV. This statement is classified into Current and Noncurrent Assets and Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources with Net Position classified in the categories as noted below. The Statement of Revenues, Expenses and Changes in Net Position depicts the operating revenues and expenses resulting in Operating Income (Loss), which is combined with Nonoperating Revenues (Expenses) to provide the total Change in Net Position. The Statement of Cash Flows shows the sources and uses of cash from operations, cash flows from nonoperating activities and cash flows from capital and related financial activities. The notes to the financial statements help explain information in the financial statements and provide more detailed data.

Below is condensed financial information.

Statements of Net Position

	2024	2023	2022
Assets			
Current assets and other assets	$ 19,607,807	$ 16,609,474	$ 16,561,919
Property and equipment	6,410,321	8,832,294	10,509,438
Total assets	26,018,128	25,441,768	27,071,357
Deferred outflows of Resources	2,637,475	4,215,576	5,754,096
Liabilities			
Current liabilities	6,208,331	5,936,265	6,048,421
Long-term liabilities	3,982,267	5,459,860	4,323,545
Total liabilities	10,190,598	11,396,125	10,371,966
Deferred Inflows of Resources	4,732,808	5,341,776	9,779,191
Net Position			
Net investment in capital assets	1,478,634	3,874,290	5,620,098
Restricted for pensions	-	-	2,008,178
Unrestricted	12,253,563	9,045,153	5,046,020
Total net position	$ 13,732,197	$ 12,919,443	$ 12,674,296

Statements of Revenues, Expenses and Changes in Net Position

	2024	2023	2022
Operating revenues	$ 11,652,452	$ 11,383,814	$ 11,420,222
Operating expenses	(15,691,472)	(15,840,607)	(14,425,166)
Operating loss	(4,039,020)	(4,456,793)	(3,004,944)
General appropriations	3,618,698	3,712,206	4,118,871
Loss on disposal of capital assets	-	(38,459)	(3,276)
Investment income /(loss)	1,443,127	1,290,565	(1,738,975)
Interest expense	(210,051)	(262,372)	(189,486)
Nonoperating income	4,851,774	4,701,940	2,187,134
Transfer in	-	-	175,574
Change in net position	812,754	245,147	(642,236)
Net Position, Beginning	12,919,443	12,674,296	13,316,532
Net Position, Ending	$ 13,732,197	$ 12,919,443	$ 12,674,296

Statements of Cash Flows

	2024	2023	2022
Net cash flows from operating activities	$ (4,089,101)	$ (2,411,755)	$ 2,638,380
Net cash flows from nonoperating activities	3,618,698	3,712,206	4,118,871
Net cash flows from investing activities	1,443,127	1,290,565	(2,228,516)
Net cash flow from capital and related financing activities	(972,724)	(2,591,016)	(4,528,735)
Net change in cash	-	-	-
Cash and Cash Equivalents, Beginning	-	-	-
Cash and Cash Equivalents, Ending	$ -	$ -	$ -

Financial Highlights

2024 Compared to 2023

The financial position of WMVS - WMVT-TV increased. Net Position totaled $13,732,197 and $12,919,443 for the years ended June 30, 2024 and 2023. WMVS - WMVT-TV's Net Position increased by $812,754 for the year ended June 30, 2024 compared to an increase in Net Position of $245,147 for the year ended June 30, 2023.

Operating Revenues totaled $11,652,452 and $11,383,814 for the years ended June 30, 2024 and 2023, respectively; while Operating Expenses totaled $15,691,472 and $15,840,607 at June 30, 2024 and 2023, respectively. Operating Revenue increased by $268,638 in 2024 compared to 2023. Operating Expenses decreased by $149,135 in 2024 compared to 2023. The Net Operating Loss for Fiscal Year 2024 is $4,039,020 that includes noncash depreciation and amortization expense of $3,162,198 while the Net Operating Loss for FY2023 was $4,456,793 that included noncash depreciation and amortization expense of $4,037,490. The Net Nonoperating Income for Fiscal Year 2024 is $4,851,774 compared to Fiscal Year 2023 Net Nonoperating Income of $4,701,940. Nonoperating revenue increased by $59,054 in 2024 compared to an increase of $2,622,875 in 2023. Nonoperating expense decreased by $90,780 in 2024, compared to 2023 nonoperating expense increase of $108,069, which included a loss on disposal of asset of $38,459.

During fiscal year 2024, Milwaukee Area Technical College issued $3,386,200 of General Obligation Notes at a premium of $79,838 on behalf of WMVS - WMVT-TV compared to $3,517,000 of General Obligation Notes at a premium of $203,778 in fiscal year 2023. These bonds are issued primarily for the purchase of program acquisition, program production, equipment and building remodeling and improvement projects. In addition, at June 30, 2024, WMVS - WMVT-TV still had $4,744,569 of General Obligation Bonds outstanding, which were issued in fiscal year 2019 thru fiscal year 2024. WMVS - WMVT-TV's property and equipment, net of depreciation, totaled $6,410,321 and $8,832,294 at June 30, 2024 and 2023, respectively. Property and equipment additions totaled $740,225 and $2,398,805 in fiscal year 2024 and fiscal year 2023 respectively.

Current assets consist primarily of accounts receivable and receivables due from other funds. Noncurrent Assets consist primarily of property and equipment, and deferred outflows of resources. Property and equipment is presented net of accumulated depreciation of $39,074,895 and $35,912 697 at June 30, 2024 and 2023, respectively. Current Liabilities consist of accounts payable, accrued liabilities, notes payable and unearned revenues. Noncurrent Liabilities consist primarily of notes payable, other postemployment benefits, net position liability and deferred inflows of resources.

Operating revenues consist primarily of fees for services, state revenues, Corporation for Public Broadcasting service grants and development revenues. Operating expenses consist primarily of programming and production, broadcasting, management and general, programming information and depreciation expense. Nonoperating revenues consist primarily of general appropriations from MATC and investment income and loss. Nonoperating expenses consist primarily of interest expense on bonds and loss on disposal of capital assets.

The net cash flows from operating activities, appropriations and proceed from bond issues are used primarily for the purchase of equipment and for debt service payments.

2023 Compared to 2022

The financial position of WMVS - WMVT-TV increased. Net Position totaled $12,919,443 and $12,674,296 for the years ended June 30, 2023 and 2022. WMVS - WMVT-TV's Net Position increased by $245,147 for the year ended June 30, 2023 compared to a decrease in Net Position of $642,236 for the year ended June 30, 2022.

Operating Revenues totaled $11,383,814 and $11,420,222 for the years ended June 30, 2023 and 2022, respectively; while Operating Expenses totaled $15,840,607 and $14,425,166 at June 30, 2023 and 2022, respectively. Operating Revenue decreased by $36,408 in 2023 compared to 2022. Operating Expenses increased by $1,415,441 in 2023 compared to 2022. The Net Operating Loss for Fiscal Year 2023 is $4,456,793 that includes noncash depreciation and amortization expense of $4,037,490 while the Net Operating Loss for FY2022 was $3,004,944 that included noncash depreciation and amortization expense of $4,328,015. The Net Nonoperating Income for Fiscal Year 2023 is $4,701,940 compared to Fiscal Year 2022 Net Nonoperating Income of $2,187,134. Nonoperating revenue increased by $2,622,875 in 2023 compared to a decrease of $4,474,316 in 2022. Nonoperating expense increased by $108,069 in 2023 which includes a loss on disposal of asset of $38,459, compared to 2022 nonoperating expense decrease of $76,986.

During fiscal year 2023, Milwaukee Area Technical College issued $3,517,000 of General Obligation Notes at a premium of $203,778 on behalf of WMVS - WMVT-TV compared to $3,292,350 of General Obligation Notes at a premium of $95,407 in fiscal year 2022. These bonds are issued primarily for the purchase of program acquisition, program production, equipment and building remodeling and improvement projects. In addition, at June 30, 2023, WMVS - WMVT-TV still had $4,734,138 of General Obligation Bonds outstanding, which were issued in fiscal year 2019 thru fiscal year 2023. WMVS - WMVT-TV's property and equipment, net of depreciation, totaled $8,832,294 and $10,509,438 at June 30, 2023 and 2022, respectively. Property and equipment additions totaled $2,398,805 and $4,116,601 in fiscal year 2023 and fiscal year 2022 respectively.

Current assets consist primarily of accounts receivable and receivables due from other funds. Noncurrent Assets consist primarily of property and equipment, net pension asset and deferred outflows of resources. Property and equipment is presented net of accumulated depreciation of $35,912,697 and $34,094 201 at June 30, 2023 and 2022, respectively. Current Liabilities consist of accounts payable, accrued liabilities, notes payable and unearned revenues. Noncurrent Liabilities consist primarily of notes payable, other postemployment benefits, net position liability and deferred inflows of resources.

Operating revenues consist primarily of fees for services, state revenues, Corporation for Public Broadcasting service grants and development revenues. Operating expenses consist primarily of programming and production, broadcasting, management and general, programming information and depreciation expense. Nonoperating revenues consist primarily of general appropriations from MATC and investment income and loss. Nonoperating expenses consist primarily of interest expense on bonds and loss on disposal of capital assets.

The net cash flows from operating activities, appropriations and proceed from bond issues are used primarily for the purchase of equipment and for debt service payments.

Request for Information

This financial report is designed to provide donors, members, investment manager, foundations and taxpayers with a general overview of the WMVS - WMVT-TV finances and to account for the funding it receives. Additional details can be requested by mail at the following address.

WMVS - WMVT-TV
1036 North 8th Street
Milwaukee, WI 53233

BASIC FINANCIAL STATEMENTS

WMVS - WMVT-TV

Statements of Net Position
June 30, 2024 and 2023

	2024	2023
Assets and Deferred Outflows of Resources		
Current Assets		
Due from MATC, general fund:		
Unrestricted	$ 4,860,845	$ 3,415,887
Accounts receivable	14,746,962	13,193,587
Total current assets	19,607,807	16,609,474
Noncurrent assets:		
Television studio, broadcast equipment and programming rights	45,485,216	44,744,991
Less accumulated depreciation and amortization	(39,074,895)	(35,912,697)
Total noncurrent assets	6,410,321	8,832,294
Total assets	26,018,128	25,441,768
Deferred Outflows of Resources		
Deferred outflows related to pensions	2,571,843	4,143,911
Deferred outflows related to OPEB	65,632	71,665
Total deferred outflows of resources	2,637,475	4,215,576
Liabilities, Deferred Inflows of Resources and Net Position		
Liabilities		
Current liabilities:		
Accounts payable	116,814	13,437
Accrued interest	16,337	12,468
Accrued liabilities	248,677	90,977
Compensated absences	18,955	30,499
Due to other funds	3,945,525	3,945,525
Current portion of notes payable	1,862,023	1,843,359
Total current liabilities	6,208,331	5,936,265
Long-term liabilities:		
Notes payable	3,069,664	3,114,645
Compensated absences	126,856	204,107
Net OPEB liability	482,303	995,959
Net pension liability	303,444	1,145,149
Total long-term liabilities	3,982,267	5,459,860
Total liabilities	10,190,598	11,396,125
Deferred Inflows of Resources		
Deferred inflows related to OPEB	1,098,042	1,060,365
Deferred inflows related to pensions	1,621,517	2,399,479
Unearned revenue	2,013,249	1,881,932
Total deferred inflows of resources	4,732,808	5,341,776
Net Position		
Net investment in capital assets	1,478,634	3,874,290
Unrestricted	12,253,563	9,045,153
Total net position	$ 13,732,197	$ 12,919,443

See notes to financial statements

WMVS - WMVT-TV

Statements of Revenues, Expenses and Changes in Net Position
Years Ended June 30, 2024 and 2023

	2024	2023
Operating Revenues		
Fees for services and advertising	$ 44,908	$ 17,650
Corporation for Public Broadcasting service grants	1,926,193	1,965,651
Contributed support	2,190,422	2,111,548
Membership income	6,965,610	6,721,563
Underwriting income	427,376	475,993
Special event income	97,943	91,409
Total operating revenues	11,652,452	11,383,814
Operating Expenses		
Programming and production	2,030,443	2,202,167
Broadcasting	2,276,177	2,382,567
Fund raising	470,815	430,634
Management and general	5,426,430	4,416,931
Member benefits/sales and marketing	2,014,767	2,049,958
Program information	310,642	320,860
Depreciation and amortization	3,162,198	4,037,490
Total operating expenses	15,691,472	15,840,607
Operating loss	(4,039,020)	(4,456,793)
Nonoperating Revenues (Expenses)		
General appropriations from MATC, tax levy	3,618,698	3,712,206
Loss on asset disposal	-	(38,459)
Investment income	1,443,127	1,290,565
Interest expense	(210,051)	(262,372)
Total nonoperating revenues (expenses)	4,851,774	4,701,940
Change in net position	812,754	245,147
Net Position, Beginning	12,919,443	12,674,296
Net Position, Ending	$ 13,732,197	$ 12,919,443

See notes to financial statements

Statements of Cash Flows
Years Ended June 30, 2024 and 2023

	2024	2023
Cash Flows From Operating Activities		
Cash received for services	$ 7,667,154	$ 7,276,120
Cash received from federal and state grants	1,926,193	1,965,651
Cash received (payment to) from other funds	(2,998,333)	(2,055,733)
Cash payments for materials and services	(9,418,852)	(9,676,635)
Cash payments to employees	(1,265,263)	78,842
Net cash from operating activities	(4,089,101)	(2,411,755)
Cash Flows From Noncapital Financing Activities		
Local tax levy	3,618,698	3,712,206
Cash Flows From Capital and Related Financing Activities		
Acquisition of capital assets	(740,225)	(2,398,805)
Proceeds of borrowings for capital purposes	3,386,200	3,517,000
Premium on proceeds of borrowing	79,838	203,778
Principal repayments related to capital purposes	(3,375,769)	(3,503,950)
Interest paid	(322,768)	(409,039)
Net cash from capital and related financing activities	(972,724)	(2,591,016)
Cash Flows From Investing Activities		
Investment income	1,443,127	1,290,565
Net change in cash and cash equivalents	-	-
Cash and Cash Equivalents, Beginning	-	-
Cash and Cash Equivalents, Ending	$ -	$ -
Reconciliation of Operating Loss to Net Cash From Operating Activities		
Operating loss	$ (4,039,020)	$ (4,456,793)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation and amortization	3,162,198	4,037,490
Changes in assets, deferred outflows, liabilities and deferred Inflows:		
Accounts receivable	(1,553,375)	(1,339,963)
Due from other funds	(1,444,958)	(715,770)
Accrued liabilities	65,036	47,173
Accounts payable	103,377	13,437
Accrued interest	3,869	1,497
Deferred outflows	1,578,101	1,538,520
Deferred inflows	(740,285)	(4,406,920)
Net OPEB liability	(513,656)	(253,258)
Net pension liability (asset)	(841,705)	3,153,327
Unearned revenue	131,317	(30,495)
Net cash from operating activities	$ (4,089,101)	$ (2,411,755)
Noncash Investing Activities		
Unrealized realized gains on investments held by Foundation	$ 1,443,127	$ 1,290,565

See notes to financial statements

1. Nature of Activities and Significant Accounting Policies

Summary of Significant Accounting Policies

WMVS - WMVT-TV (the Stations) are operated by and reported as an enterprise fund of the Milwaukee Area Technical College District (MATC), Milwaukee, Wisconsin.

Basis of Presentation

The financial statements of WMVS - WMVT-TV have been prepared for the sole purpose of complying with the request of the Corporation for Public Broadcasting and are intended to present the financial position, results of operations and cash flows of only that portion of the financial reporting entity of the Milwaukee Area Technical College District that is attributable to the WMVS - WMVT television stations. The services of the Stations are provided primarily through user charges, property taxes, grants and gifts.

The accrual basis of accounting is used by the enterprise fund whereby revenues are recognized when earned and expenses are recorded when liabilities are incurred. In addition, depreciation and amortization expense are also recognized by the enterprise fund.

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

Measurement Focus

The measurement focus of enterprise funds is the cost of service concept. Under the cost of service concept, revenues and expenses are matched using the accrual basis of accounting. All capital assets are capitalized at historical cost and those capital assets accounted for in the Enterprise Funds are depreciated over their useful lives. In addition, programming rights are capitalized and amortized over the contract period.

Classification of Revenue and Expense

Operating Revenues/Expenses - Operating revenues and expenses include activities that have the characteristics of exchange transactions to provide goods or services related to the Stations principal ongoing operations. Operating revenues include (1) fees for services; (2) contributed support; and (3) underwriting income. Operating expenses include the cost of providing programming, production, broadcasting, administration expenses and depreciation on capital assets.

Nonoperating Revenues/Expenses - Nonoperating revenues and expenses include activities that have the characteristics of no exchange transactions. Nonoperating revenues include (1) gifts and contributions and other revenue sources that are defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 34, such as state appropriations and the local property tax levy, and (2) any grants that are not classified as operating revenue or restricted by the grantor to be used exclusively for capital programs. Nonoperating expenses include interest on long-term obligations.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash on hand, demand deposits with financial institutions, investments in the Local Government Investment Pool and short-term investments with maturity dates of less than ninety days from when purchased are considered cash equivalents.

Television Station Plant and Equipment

Television station plant and equipment is recorded at cost or, in the case of donated property, at its estimated fair value at the date received. Depreciation is provided on the straight-line basis over the estimated useful lives of the assets ranging from five to twenty years. Expenses for repairs and maintenance are charged to expense as incurred.

Programming Rights

Programming rights are recorded at cost and amortized on the straight-line basis over the estimated useful lives of the programming rights ranging from two to five years.

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense) until that future time.

State Revenues

State aid is recorded as revenue when received or in the year for which the grant is intended. Restricted grants are recorded as revenue when the legal and contractual requirements of the program are met. There are essentially two types of restricted grants. In one, monies must be expended on the specific purpose or project before any amounts will be paid; therefore, revenues are recognized when the expenses are incurred. In the other, monies are virtually unrestricted as to purpose of expense and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the amount is measurable and will be available to pay liabilities of the current period.

Unearned Revenue

The Stations report unavailable or unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

Compensated Absences

Employees are granted vacation and sick leave benefits in varying amounts in accordance with the provisions of the employee handbook and District policy. Liabilities for vacation and salary related payments, including social security taxes, are recorded when incurred. Vacation benefits lapse if not utilized in the year subsequent to that in which they are earned. In the event of retirement or death, the District is obligated to pay all unused vacation benefits.

In the event of retirement of an employee, the District is obligated to pay one half of unused sick leave up to 45 days at the current salary rate. The District has accrued sick leave and salary related payments based on the District's prior experience with employees remaining and receiving payment. The accrued sick leave is the amount reasonably expected to be paid out. The liability for sick leave consists of current and long-term portions. The current portion has been estimated based on prior experience. See Footnote No. 3 for outstanding balances as of June 30, 2024 and 2023.

Deferred Inflow of Resources

A deferred inflow of resources represents an acquisition of net assets that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time. The CPB service grant covers a two-year period. That portion of CPB funding received in advance of the year of intended use is deferred.

Underwriting Income

Underwriting income (i.e., airtime and program acquisitions and productions) is recorded as revenue when the cash is received.

Indirect Administrative Support

Indirect support from MATC consists of allocated institutional support and physical plant costs incurred by MATC for which the Stations receive benefits. The fair value of this support is recognized in the Statements of Revenues, Expenses and Changes in Net Position as contributed support and also as expense in the management and general functional expense category.

Contributed Capital

Contributed capital reported in the financial statements represent capital asset acquisitions made by the MATC Capital Projects Fund and other external parties, transferred to the Enterprise Fund, free and clear of any long-term debt used to acquire the assets.

Pensions

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

- Net Pension Liability (Asset);
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions; and
- Pension Expense (Revenue).

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

Postemployment Benefits Other Than Pensions

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

Reclassifications

Certain reclassifications have been made to the prior year financial statements to conform to current year presentation.

Net Position

Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets less unexpended proceeds of long-term debt.

Restricted Net Position - Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position - All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

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

2. Capital Assets

Capital asset activity for the years ended June 30, 2024 and 2023 are as follows:

	Balance 7/1/23	Additions	Deletions	Balance 6/30/24
Capital assets being depreciated/amortized:				
Building improvements	$ 2,280,207	$ -	$ -	$ 2,280,207
Transmission equipment	13,412,785	-	-	13,412,785
Equipment	23,800,661	592,669	-	24,393,330
Programming rights	5,251,338	147,556	-	5,398,894
Total capital assets being depreciated/ amortized	44,744,991	740,225	-	45,485,216
Less accumulated depreciation/amortization	(35,912,697)	(3,162,198)	-	(39,074,895)
Total capital assets, net of depreciation/ amortization	$ 8,832,294	$ (2,421,973)	$ -	$ 6,410,321

	Balance 7/1/22	Additions	Deletions	Balance 6/30/23
Capital assets being depreciated/amortized:				
Building improvements	$ 2,250,297	$ 29,910	$ -	$ 2,280,207
Transmission equipment	13,412,785	-	-	13,412,785
Equipment	23,610,302	290,687	(100,328)	23,800,661
Programming rights	5,330,255	2,078,208	(2,157,125)	5,251,338
Total capital assets being depreciated/ amortized	44,603,639	2,398,805	(2,257,453)	44,744,991
Less accumulated depreciation/amortization	(34,094,201)	(4,037,490)	2,218,994	(35,912,697)
Total capital assets, net of depreciation/ amortization	$ 10,509,438	$ (1,638,685)	$ (38,459)	$ 8,832,294

Accumulated depreciation/amortization by class or function is not available.

3. Long-Term Obligations

Long-term obligations activity for the years ended June 30, 2024 and 2023 are as follows:

	Balance 7/1/23	Additions	Deletions	Balance 6/30/24	Amounts Due Within One Year
Notes payable	$ 4,734,138	$ 3,386,200	$ 3,375,769	$ 4,744,569	$ 1,862,023
Plus:					
Unamortized premium	223,866	79,838	116,586	187,118	-
Total notes payable	4,958,004	3,466,038	3,492,355	4,931,687	1,862,023
Compensated absences	234,606	-	88,795	145,811	18,955
Net pension liability	1,145,149	-	841,705	303,444	-
Net OPEB liability	984,317	-	502,014	482,303	-
Total	$ 7,322,076	$ 3,466,038	$ 4,924,869	$ 5,863,245	$ 1,880,978

	Balance 7/1/22	Additions	Deletions	Balance 6/30/23	Amounts Due Within One Year
Notes payable	$ 4,721,088	$ 3,517,000	$ 3,503,950	$ 4,734,138	$ 1,843,359
Plus:					
Unamortized premium	168,252	203,778	148,164	223,866	-
Total notes payable	4,889,340	3,720,778	3,652,114	4,958,004	1,843,359
Compensated absences	197,631	36,975	-	234,606	30,499
Net pension liability	-	1,145,149	-	1,145,149	
Net OPEB liability	1,249,217	-	264,900	984,317	-
Total	$ 6,336,188	$ 4,902,902	$ 3,917,014	$ 7,322,076	$ 1,873,858

Principal and interest is payable from irrevocable ad-valorem taxes levied on all taxable property in the Milwaukee Area Technical College District. Bonds payable represent the portion of MATC's long-term debt being repaid by the television enterprise fund as follows:

	2024	2023
2019-20C General obligation promissory notes, interest at 2.0 to 4.0%, annual amounts from $452,139 to $470,607 due on June 1 through 2024 (a)	$ -	$ 470,607
2020-21C General obligation promissory notes, interest at 2.0 to 3.0%, annual amounts from $510,430 to $563,103 due on June 1 through 2025 (b)	553,103	1,084,870
2021-22C General obligation promissory notes, interest at 2.0%, annual amounts from $362,159 to $1,751,530 due on June 1 through 2026 (c)	801,138	1,178,661
2022-23C General obligation promissory notes, interest at 3.0 to 4.0%, annual amounts from $463,462 to $1,516,999 due on June 1 through 2027 (d)	1,536,538	2,000,000
2023-24C General obligation promissory notes, interest at 3.5 to 6.0%, annual amounts from $429,124 to $1,532,409 due on June 1 through 2028 (e)	1,853,790	-
Total outstanding payable notes	4,744,569	4,734,138
Unamortized premium	187,118	223,866
	$ 4,931,687	$ 4,958,004

(a) The General Obligation Promissory Notes dated September 12, 2019, were issued for $22,500,000 which includes $3,078,100 for Milwaukee Public Television. The proceeds are to be used for moveable equipment and to finance building remodeling and improvement projects. Semi-annual interest payments are to be made on June 1 and December 1 of each year.

(b) The General Obligation Promissory Notes dated September 15, 2020, were issued for $22,500,000 which includes $3,692,825 for Milwaukee Public Television. The proceeds are to be used for moveable equipment and to finance building remodeling and improvement projects. Semi-annual interest payments are to be made on June 1 and December 1 of each year.

(c) The General Obligation Promissory Notes dated September 15, 2021, were issued for $22,500,000 which includes $3,292,350 for Milwaukee Public Television. The proceeds are to be used for moveable equipment and to finance building remodeling and improvement projects. Semi-annual interest payments are to be made on June 1 and December 1 of each year.

(d) The General Obligation Promissory Notes dated September 14, 2022, were issued for $22,500,000 which includes $3,517,000 for Milwaukee Public Television. The proceeds are to be used for moveable equipment and to finance building remodeling and improvement projects. Semi-annual interest payments are to be made on June 1 and December 1 of each year.

(e) The General Obligation Promissory Notes dated September 13, 2023, were issued for $27,500,000 which includes $3,386,200 for Milwaukee Public Television. The proceeds are to be used for moveable equipment and to finance building remodeling and improvement projects. Semi-annual interest payments are to be made on June 1 and December 1 of each year.

Debt service requirements to maturity are as follows:

Years	Principal	Interest	Total
2025	$ 1,862,023	$ 196,045	$ 2,058,068
2026	1,371,458	126,370	1,497,828
2027	1,012,394	75,164	1,087,558
2028	498,694	29,922	528,616
	$ 4,744,569	$ 427,501	$ 5,172,070

4. Income Taxes

MATC, including the activities of its television stations, is exempt from federal and state income taxes under Section 115(2) of the Internal Revenue Code.

5. Commitments and Contingencies

MATC has entered into a 50-year lease for shared use of a private transmitter tower located on land owned by MATC. Under the terms of the lease, which expires in 2030, no rent is charged; however, the Stations are committed to share annual transmitter repair and maintenance costs on an equal basis with the lessor.

6. Risk Management

WMVS - WMVT-TV is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. These risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial liability in any of the past three years. There were no significant reductions in coverage compared to the prior year.

Districts Mutual Insurance Company (DMI)

In July 2004, all sixteen WTCS technical colleges created Districts Mutual Insurance Company (DMI). Districts Mutual Insurance Company 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 $400,000 per occurrence; general liability, auto and educators' legal liability at $5,000,000 per occurrence; and workers' compensation at the statutorily required limits.

Details of the plan are disclosed in the basic financial statements of the MATC for the years ended June 30, 2024 and 2023.

7. Wisconsin Retirement System - Current Year

This note represents the District Wide Milwaukee Area Technical College proportionate share of the WRS net pension liability/(asset) and related inflows/outflows. WMVS - WMVT-TV does participate within the plan. WMVS - WMVT-TV's proportionate share is represented on the face of the financial statements.

Plan Description

The WRS is a cost-sharing multiple-employer defined benefit pension plan. Chapter 40 of the Wisconsin Statutes establishes WRS benefits and other plan provisions. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 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.

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 State executive participants) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service and (3) a formula factor.

Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits.

The WRS also provides death and disability benefits for employees.

Postretirement Adjustments

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

The Core and Variable annuity adjustments granted during recent years are as follows:

Years	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
2014	4.7	25.0
2015	4.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. 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 $8,202,297 in contributions from the employer.

Contribution rates for the year ended June 30, 2024 are:

	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
July 1, 2023 - December 31, 2023	6.80%	6.80%
January 1, 2024 - June 30, 2024	6.90	6.90

Pension Liability (Asset), Pension Expense (Revenue) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the District reported a liability of $9,569,109 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers.

At December 31, 2023, the District's proportion was 0.64360172%, which was a decrease of 0.02415800% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized pension expense of $6,315,959.

At June 30, 2024, 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 projected and actual experiences	$ 38,582,552	$ 51,102,827
Changes of actuarial assumptions	4,170,899	-
Net differences between projected and actual investment earnings on pension plan investment	33,346,789	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	458,468	31,695
Employer contributions subsequent to the measurement date	4,544,342	-
Total	$ 81,103,050	$ 51,134,522

$4,544,342 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as an addition to the net pension liability (asset) in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending June 30:	
2025	$ 5,265,580
2026	5,539,688
2027	21,022,739
2028	(6,403,821)

Actuarial Assumptions

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

Actuarial Valuation Date:	December 31, 2022
Measurement Date of Net Pension Liability (Asset):	December 31, 2023
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2022
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.9%
Discount Rate:	6.9%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1%-5.6%
Mortality:	2020 WRS Experience Mortality Table
Postretirement Adjustments*:	1.7%

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

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

Long-Term Expected Return on Plan Assets

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

Core Fund Asset Class	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
Public Equity	40	7.3	4.5
Public Fixed Income	27	5.8	3.0
Inflation Sensitive	19	4.4	1.7
Real Estate	8	5.8	3.0
Private Equity/Debt	18	9.6	6.7
Leverage***	(12)	3.7	1.0
Total core fund***	100	7.4	4.6
Variable Fund Asset Class			
U.S. Equities	70	6.8	4.0
International Equities	30	7.6	4.8
Total variable fund	100	7.3	4.5

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

***New England Pension Consultants' Long-Term U.S. CPI (Inflation) Forecast: 2.7%*

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

Single Discount Rate

A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. This discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.05% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population 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 investment 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) in the Discount Rate

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

	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase to Discount Rate (7.8%)
MATC's proportionate share of the net pension liability (asset)	$ 92,490,060	$ 9,569,109	$ (48,454,189)

Pension Plan Fiduciary Net Position

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

8. Wisconsin Retirement System - Prior Year

This note represents the District Wide Milwaukee Area Technical College proportionate share of the WRS net pension liability/(asset) and related inflows/outflows. WMVS - WMVT-TV does participate within the plan. WMVS - WMVT-TV's proportionate share is represented on the face of the financial statements.

Plan Description

The WRS is a cost-sharing multiple-employer defined benefit pension plan. Chapter 40 of the Wisconsin Statutes establishes WRS benefits and other plan provisions. 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.

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 State executive participants) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service and (3) a formula factor.

Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits.

The WRS also provides death and disability benefits for employees.

Postretirement Adjustments

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

The Core and Variable annuity adjustments granted during recent years are as follows:

Years	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
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
2022	7.4	15.0

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. 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 $7,437,749 in contributions from the employer.

Contribution rates for the year ended June 30, 2023 are:

	Employee	Employer
July 1, 2022 - December 31, 2022	6.50%	6.50%
January 1, 2023 - June 30, 2024	6.80	6.80

Pension Liability (Asset), Pension Expense (Revenue) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the District reported a liability of $35,375,932 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers.

At December 31, 2022, the District's proportion was 0.66775972%, which was a decrease of 0.02457400% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the District recognized pension expense of $17,874,677.

At June 30, 2023, 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 projected and actual experiences	$ 56,342,899	$ 74,021,917
Changes of actuarial assumptions	6,956,372	-
Net differences between projected and actual investment earnings on pension plan investment	60,095,538	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	463,154	102,786
Employer contributions subsequent to the measurement date	4,155,753	-
Total	$ 128,013,716	$ 74,124,703

$4,155,753 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as an addition to the net pension liability (asset) in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending June 30:	
2024	$ 2,113,619
2025	10,328,475
2026	10,612,122
2027	26,679,044

Actuarial Assumptions

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2021
Measurement Date of Net Pension Liability (Asset):	December 31, 2022
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	3.0%
Seniority/Merit	0.1%-5.6%
Mortality:	2020 WRS Experience Mortality Table
Postretirement Adjustments*:	1.7%

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

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

Long-Term Expected Return on Plan Assets

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

Core Fund Asset Class	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
Public Equity	48	7.6	5.0
Public Fixed Income	25	5.3	2.7
Inflation Sensitive	19	3.6	1.1
Real Estate	8	5.2	2.6
Private Equity/Debt	15	9.6	6.9
Total Core Fund***	115	7.4	4.8
Variable Fund Asset Class			
U.S. Equities	70	7.2	4.6
International Equities	30	8.1	5.5
Total Variable Fund	100	7.7	5.1

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

*** New England Pension Consultants' Long-Term U.S. CPI (Inflation) Forecast: 2.5%*

**** 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 of 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 for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.05%. 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 after reflecting known changes in the market recognition account. 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 expected 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) in the Discount Rate

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

	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase to Discount Rate (7.8%)
MATC's proportionate share of the net pension liability (asset)	$ 117,411,564	$ 35,375,932	$ (21,057,548)

Pension Plan Fiduciary Net Position

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

9. Other Postretirement Benefits - Current Year

This note represents the District Wide Milwaukee Area Technical College proportionate share of the OPEB liability/ (asset) and related inflows/outflows. WMVS - WMVT-TV does participate within the plan. WMVS-WMVT-TV's proportionate share is represented on the face of the financial statements.

Information in this note includes the disclosures for Milwaukee Area Technical College OPEB Trust required by GASB Statement No. 74 and No. 75.

Plan Description

Plan Administration

The District administers the Milwaukee Area Technical College OPEB Trust, a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for eligible teachers and administrators.

Management of the OPEB Trust is vested in the Investment and OPEB Oversight Committee, which is comprised of the Vice President of Finance, District Board Treasurer and General Counsel.

Benefits Provided

The plan provides medical and life insurance benefits to eligible retirees and their spouses through the District's group medical and life insurance plans, which cover both active and retired members. The eligibility requirements and the amount of the benefit vary based on retiree's position, years of service and age at retirement. If eligible, the retiree may receive half of the medical insurance benefits paid once they reach the age of 65. The plan is administered by the District. The MATC Postemployment Benefits Trust is accounted for and prescribed as a fiduciary fund and does not issue a stand-alone financial report. Plan eligibility is as follows:

Eligibility (Medical)

Group	Subsidy Provided*	Age Requirement	Service Requirement
Faculty, Paraprofessionals (former 212) hired prior to 2/16/2014	Yes	55	15
Faculty, Paraprofessionals (former 212) hired between 2/16/2014 - 6/30/2015	Yes	60	20
Faculty, Paraprofessionals (former 212) hired on/after 7/1/2015	No	N/A	N/A
Staff (former 587) hired prior to 7/24/2007	Yes	55	20
Staff (former 587) hired between 7/24/2007 - 3/6/2013	Yes	60	20
Staff (former 587) hired on/after 3/7/2013	No	N/A	N/A
Administrator (former NR) hired prior to 1/1/2008	Yes	55	20
Administrator (former NR) hired between 1/1/2008 - 7/26/2013	Yes	60	20
Administrator (former NR) hired on/after 7/27/2013	No	N/A	N/A
MPTV (former 715) hired prior to 1/1/2008	Yes	55	20
MPTV (former 715) hired between 1/1/2008 - 3/21/2013	Yes	60	20
MPTV (former 715) hired on/after 3/22/2013	No	N/A	N/A

Eligibility (Life)

Group	Life Insurance
Faculty, Paraprofessionals (former 212) hired prior to 7/1/2015	Yes
Faculty, Paraprofessionals (former 212) hired on/after 7/1/2015	No
Staff (former 587) hired prior to 3/7/2013	Yes
Staff (former 587) hired on/after 3/7/2013	No
Administrator (former NR) hired prior to 7/27/2013	Yes
Administrator (former NR) hired on/after 7/27/2013	No
MPTV (former 715) hired prior to 3/22/2013	Yes
MPTV (former 715) hired on/after 3/22/2013	No

Basis of Accounting

The plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Contributions

The MATC District Board grants the authority to establish and amend the contribution requirements of the District. The Board establishes rates based on an actuarially determined rate. For the year ended June 30, 2024 and 2023, the District's average contribution rate was 7.90% and 6.67% of covered-employee payroll, respectively. Plan members are required to contribute to the plan.

Investment Policy

The Trust's policy concerning the allocation of invested assets is established and may be amended by the MATC Board. It is the policy of the MATC Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. Securities held in the Trust need nor represent a cross section of the economy. However, in order to achieve a prudent level of portfolio diversification the Securities of any company or government agency cannot exceed 10% (at Cost) of a manager's total product, and no more than 40% of the total product may be invested in any one industry sector. Individual Securities may represent 50% of the total Product, while the total allocation to Treasury bond and notes may vary up to 100% of the Fund's Aggregate bond position.

Concentrations

The investment portfolio included the following concentrations over 5%:

Issuer	Investment Type	Percentage of Portfolio 2024	2023
Baird Core Plus Bond	Mutual Fund Equity	6.4 %	6.2 %
Prudential Total Return Bond	Mutual Fund Equity	5.3	5.0
Vanguard Total Stock Mkt Index Fund	Mutual Fund Equity	46.8	43.2
Vanguard FTSE Development Market	Mutual Fund Equity	-	5.8
Vanguard Total Intl Stock	Mutual Fund Equity	14.2	11.5

Rate of Return

For the year ended June 30, 2024 and 2023, the annual money-weighted rate of return on investments, net of investment expense, was 15.3% and 10.7%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net and Total OPEB Liability of the Milwaukee Area Technical College District

Actuarial Assumptions

The net OPEB liability and total OPEB liability were determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Measurement dates:	
For June 30, 2024 liabilities	June 30, 2024
For June 30, 2023 liabilities	June 30, 2023
Actuarial valuation date:	June 30, 2024
Inflation:	2.0%
Salary increases:	2.0%
Investment rate of return:	6.74%
Healthcare cost trend rates:	7.75% initially (6.75% for post-Medicare) decreasing 0.30% each year for ten years, and 0.10% per year thereafter until reaching the ultimate rate of 4.0%

As of June 30, 2024, the mortality projection scale used was the PUB-2010 base mortality table projected using Scale-2021.

The actuarial assumptions used in the June 30, 2024 valuations was based on the results of an actuarial experience study for the period July 1, 2023 to June 30, 2024.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.74%. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates.

Single Rate Option

Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Components of the Net and Total OPEB Liability

The components of the net and total OPEB liability of the District at June 30, 2024 and 2023 were as follows:

	2023	2022
Total OPEB liability	$ 88,049,441	$ 96,754,459
Plan fiduciary net position	(58,487,098)	(50,993,969)
Net OPEB liability	$ 29,562,343	$ 45,760,490
Plan fiduciary net position as a percent of total OPEB liability	66.43 %	52.70 %

Components of and Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	**Plan Fiduciary Net Position (b)**	**Net OPEB Liability (a)-(b)**
Balances as of June 30, 2023	$ 96,754,459	$ 50,993,969	$ 45,760,490
Changes for the year:			
Service cost	878,179	-	878,179
Interest	6,349,571	-	6,349,571
Differences between expected and actual experience	(12,739,217)	-	(12,739,217)
Contributions, employer subsidy	-	4,985,346	(4,985,346)
Expected investment income	-	7,492,061	(7,492,061)
Changes in assumptions	1,682,389	-	1,682,389
Benefit payments	(4,875,940)	(4,875,940)	-
Administrative expense	-	(108,338)	108,338
Net changes	(8,705,018)	7,493,129	(16,198,147)
Balance at June 30, 2024	$ 88,049,441	$ 58,487,098	$ 29,562,343

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the, District, as well as what the, District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.74%) or 1-percentage-point higher (7.74%) than the current discount rate:

	1% Decrease (5.74%)	**Discount Rate (6.74%)**	**1% Increase (7.74%)**
Net OPEB liability as of June 30, 2024	$ 39,235,000	$ 29,562,343	$ 21,431,000

	1% Decrease (5.72%)	**Discount Rate (6.72%)**	**1% Increase (7.72%)**
Net OPEB liability as of June 30, 2023	$ 56,548,000	$ 45,760,490	$ 37,385,000

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.75% decreasing to 3.0%) or 1-percentage-point higher (8.75% decreasing to 5%) than the current healthcare cost trend rates:

	1% Decrease (6.75% Decreasing to 3.0%)	Healthcare Cost Trent Rates (7.75% Decreasing to 4.0%)	1% Increase (8.75% Decreasing to 5.0%)
Net OPEB liability as of June 30, 2024	$ 22,183,000	$ 29,562,343	$ 38,258,000

	1% Decrease (6.0% Decreasing to 3.0%)	Healthcare Cost Trent Rates (7.0% Decreasing to 4.0%)	1% Increase (8.0% Decreasing to 5.0%)
Net OPEB liability as of June 30, 2023	$ 37,890,000	$ 45,760,490	$ 55,876,000

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

For the year ended June 30, 2024, the District recognized OPEB expenses of ($10,194,077). At June 30, 2024, 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	$ -	$ 19,888,832
Changes in assumptions	1,316,187	7,798,320
Net difference between projected and actual earnings on OPEB plan investments	-	2,823,315
Total	$ 1,316,187	$ 30,510,467

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending June 30:	
2025	$ (13,563,071)
2026	(9,888,750)
2027	(4,621,886)
2028	(1,120,573)
Total	$ (29,194,280)

Payable to the Plan

The District did not have any payable for the outstanding amount of contributions to the District OPEB Trust required for the year ended June 30, 2024.

10. Other Postretirement Benefits - Prior Year

This note represents the District Wide Milwaukee Area Technical College proportionate share of the OPEB liability/ (asset) and related inflows/outflows. WMVS - WMVT-TV does participate within the plan. WMVS - WMVT-TV's proportionate share is represented on the face of the financial statements. Information in this note includes the disclosures for Milwaukee Area Technical College OPEB Trust required by GASB Statement No. 74 and No. 75.

Plan Description

Plan Administration

The District administers the Milwaukee Area Technical College OPEB Trust, a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for eligible teachers and administrators.

Management of the OPEB Trust is vested in the Investment and OPEB Oversight Committee, which is comprised of the Vice President of Finance, District Board Treasurer and General Counsel.

Benefits Provided

The plan provides medical and life insurance benefits to eligible retirees and their spouses through the District's group medical and life insurance plans, which cover both active and retired members. The eligibility requirements and the amount of the benefit vary based on retiree's position, years of service and age at retirement. If eligible, the retiree may receive half of the medical insurance benefits paid once they reach the age of 65. The plan is administered by the District. The MATC Postemployment Benefits Trust is accounted for and prescribed as a fiduciary fund and does not issue a stand-alone financial report. Plan eligibility is as follows:

Eligibility (Medical)

Group	Subsidy Provided*	Age Requirement	Service Requirement
Faculty, Paraprofessionals (former 212) hired prior to 2/16/2014	Yes	55	15
Faculty, Paraprofessionals (former 212) hired between 2/16/2014 – 6/30/2015	Yes	60	20
Faculty, Paraprofessionals (former 212) hired on/after 7/1/2015	No	N/A	N/A
Staff (former 587) hired prior to 7/24/2007	Yes	55	20
Staff (former 587) hired between 7/24/2007 - 3/6/2013	Yes	60	20
Staff (former 587) hired on/after 3/7/2013	No	N/A	N/A
Administrator (former NR) hired prior to 1/1/2008	Yes	55	20
Administrator (former NR) hired between 1/1/2008 - 7/26/2013	Yes	60	20
Administrator (former NR) hired on/after 7/27/2013	No	N/A	N/A
MPTV (former 715) hired prior to 1/1/2008	Yes	55	20
MPTV (former 715) hired between 1/1/2008 - 3/21/2013	Yes	60	20
MPTV (former 715) hired on/after 3/22/2013	No	N/A	N/A

Eligibility (Life)

Group	Life Insurance
Faculty, Paraprofessionals (former 212) hired prior to 7/1/2015	Yes
Faculty, Paraprofessionals (former 212) hired on/after 7/1/2015	No
Staff (former 587) hired prior to 3/7/2013	Yes
Staff (former 587) hired on/after 3/7/2013	No
Administrator (former NR) hired prior to 7/27/2013	Yes
Administrator (former NR) hired on/after 7/27/2013	No
MPTV (former 715) hired prior to 3/22/2013	Yes
MPTV (former 715) hired on/after 3/22/2013	No

Basis of Accounting

The plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Contributions

The MATC District Board grants the authority to establish and amend the contribution requirements of the District. The Board establishes rates based on an actuarially determined rate. For the year ended June 30, 2023 and 2022, the District's average contribution rate was 6.67% and 7.69% of covered-employee payroll, respectively. Plan members are required to contribute to the plan.

Investment Policy

The Trust's policy concerning the allocation of invested assets is established and may be amended by the MATC Board. It is the policy of the MATC Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. Securities held in the Trust need nor represent a cross section of the economy. However, in order to achieve a prudent level of portfolio diversification the Securities of any company or government agency cannot exceed 10% (at Cost) of a manager's total product, and no more than 40% of the total product may be invested in any one industry sector. Individual Securities may represent 50% of the total Product, while the total allocation to Treasury bond and notes may vary up to 100% of the Fund's Aggregate bond position.

Concentrations

The investment portfolio included the following concentrations over 5%:

		Percentage of Portfolio	
Issuer	Investment Type	2024	2023
Vanguard Total Stock Mkt Index Fund	Mutual Fund Equity	43.2 %	28.6 %
First American Govt Obligation - Z	Mutual Mkt Mutual Fund	-	6.8
Vanguard FTSE Development Market	Mutual Fund Equity	5.8	-
Vanguard Total Intl Stock	Mutual Fund Equity	11.5	-

Rate of Return

For the year ended June 30, 2023 and 2022, the annual money-weighted rate of return on investments, net of investment expense, was 10.67% and (12.70)%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net and Total OPEB liability of the Milwaukee Area Technical College District

Actuarial Assumptions

The net OPEB liability and total OPEB liability were determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Measurement dates:	
For June 30, 2023 liabilities	June 30, 2023
For June 30, 2022 liabilities	June 30, 2022
Actuarial valuation date:	June 30, 2023
Inflation:	2.0%
Salary increases:	2.0%
Investment rate of return:	6.72%
Healthcare cost trend rates:	7.0% initially (6% for post-Medicare) decreasing 0.25% each year for ten years, and 0.10% per year thereafter until reaching the ultimate rate of 4.0%

As of June 30, 2023, the mortality projection scale was the PUB-2010 base mortality table projected using Scale-2021.

The actuarial assumptions used in the June 30, 2023 valuations were based on the results of an actuarial experience study for the period July 1, 2022 to June 30, 2023.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.72%. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates.

Single Rate Option

Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Components of the Net and Total OPEB Liability

The components of the net and total OPEB liability of the District at June 30, 2023 and 2022 were as follows:

	2023	2022
Total OPEB liability	$ 96,754,459	$ 97,952,176
Plan fiduciary net position	(50,993,969)	(44,008,406)
Net OPEB liability	$ 45,760,490	$ 53,943,770
Plan fiduciary net position as a percent of total OPEB liability	52.70 %	44.93 %

Components of and Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances as of June 30, 2022	$ 97,952,176	$ 44,008,406	$ 53,943,770
Changes for the year:			
Service cost	898,614	-	898,614
Interest	6,298,238	-	6,298,238
Differences between expected and actual experience	(2,810,597)	-	(2,810,597)
Contributions, employer subsidy	-	6,543,128	(6,543,128)
Expected investment income	-	5,147,167	(5,147,167)
Changes in assumptions	(972,071)	-	(972,071)
Benefit payments	(4,611,901)	(4,611,901)	-
Administrative expense	-	(92,831)	92,831
Net changes	(1,197,717)	6,985,563	(8,183,280)
Balance at June 30, 2023	$ 96,754,459	$ 50,993,969	$ 45,760,490

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the, District, as well as what the, District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.72%) or 1-percentage-point higher (7.72%) than the current discount rate:

	1% Decrease (5.72%)	Discount Rate (6.72%)	1% Increase (7.72%)
Net OPEB liability as of June 30, 2023	$ 56,548,000	$ 45,760,490	$ 37,385,000

	1% Decrease (5.62%)	Discount Rate (6.62%)	1% Increase (7.62%)
Net OPEB liability as of June 30, 2022	$ 64,501,000	$ 53,943,770	$ 45,101,000

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.0% decreasing to 3.0%) or 1-percentage-point higher (8.0% decreasing to 5%) than the current healthcare cost trend rates:

	1% Decrease (6.0% Decreasing to 3.0%)	Healthcare Cost Trent Rates (7.0% Decreasing to 4.0%)	1% Increase (8.0% Decreasing to 5.0%)
Net OPEB liability as of June 30, 2023	$ 37,890,000	$ 45,760,490	$ 55,876,000

	1% Decrease (6.0% Decreasing to 3.0%)	Healthcare Cost Trent Rates (7.0% Decreasing to 4.0%)	1% Increase (8.0% Decreasing to 5.0%)
Net OPEB liability as of June 30, 2022	$ 45,612,000	$ 53,943,770	$ 63,821,000

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

For the year ended June 30, 2023, the District recognized OPEB expenses of ($6,506,395). At June 30, 2023, 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	$ -	$ 17,304,114
Changes in assumptions	956,218	12,018,212
Net difference between projected and actual earnings on OPEB plan investments	550,223	-
Total	$ 1,506,441	$ 29,322,326

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending June 30:	
2024	$ (10,523,578)
2025	(9,969,271)
2026	(6,294,950)
2027	(1,028,085)
2028	-
Total	$ (27,815,884)

Payable to the Plan

The District did have a payable for the outstanding amount of contributions to the District, OPEB Trust required for the year ended June 30, 2023 in the amount of $2,000,000.

11. Subsequent Events

On September 12, 2024, the District issued $27,500,000 Series 2024-25C General Obligation Promissory Notes, which includes $3,443,000 for the station. The proceeds of which are to be used for moveable equipment and to finance building remodeling and improvement projects. Interest rates on the issues are 4.0% to 5.0%. Principal payments ranging from $3,345,000 to $8,965,000 are due beginning December 1, 2024 through June 1, 2029.

REQUIRED SUPPLEMENTARY INFORMATION

Milwaukee Area Technical College District

Schedules of District's Proportionate Share of the Net Pension Liability (Asset) and Contributions
Years Ended June 30, 2024 and 2023

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability (asset)	0.64360172%	0.66775972%	0.69233372%	0.70690828%	0.72543216%	0.75098758%	0.77117292%	0.78316003%	0.81721999%	0.855349490%
Proportionate share of the net pension liability (asset)	$ 9,569,109	$ 35,375,932	$ (55,803,371)	$ (44,133,264)	$ (23,391,244)	$ 26,717,783	$ (22,897,039)	$ 6,455,108	$ 13,279,666	$ (21,003,946)
Covered employee payroll	$ 120,570,222	$ 114,358,125	$ 117,618,791	$ 115,145,534	$ 112,868,151	$ 111,634,556	$ 110,658,697	$ 113,221,442	$ 111,687,265	$ 109,043,390
Employer's proportionate share of the net pension liability (asset) percentage of its covered payroll	7.94%	30.93%	47.44%	38.33%	20.72%	23.93%	20.69%	5.70%	11.89%	19.26%
Plan fiduciary net position as percentage of the total pension liability	98.85%	95.72%	106.02%	105.26%	102.96%	96.45%	102.93%	99.12%	98.20%	102.74%

Schedule of Contributions - Wisconsin Retirement System

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contributions	$ 8,590,886	$ 7,614,919	$ 7,851,092	$ 8,014,137	$ 7,485,545	$ 7,483,882	$ 7,426,406	$ 7,611,658	$ 7,662,571	$ 7,643,646
Contributions in relation to the contractually required contributions	$ (8,590,886)	$ (7,614,919)	$ (7,851,092)	$ (8,014,137)	$ (7,485,545)	$ (7,483,882)	$ (7,426,406)	$ (7,611,658)	$ (7,662,571)	$ (7,643,646)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered employee payroll	$ 123,171,424	$ 118,218,594	$ 115,301,978	$ 115,260,936	$ 112,553,252	$ 113,305,120	$ 110,782,554	$ 110,377,761	$ 110,788,839	$ 111,227,194
Contribution as a percentage of covered-employee payroll	6.97%	6.44%	6.81%	6.95%	6.65%	6.61%	6.70%	6.90%	6.92%	6.87%

See notes to required supplementary information

Schedules of Changes in Net OPEB Liability and Related Ratios
Years Ended June 30, 2024 and 2023

	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability								
Service cost	$ 878,179	$ 898,614	$ 1,468,483	$ 1,385,361	$ 1,358,197	$ 1,574,694	$ 1,321,231	$ 1,258,315
Interest	6,349,571	6,298,238	8,036,642	7,961,730	7,927,836	6,692,663	6,473,329	6,392,187
Differences between expected and actual experience	(12,739,217)	(2,810,597)	(22,335,376)	(1,147,487)	(7,573,816)	(275,064)	(389,473)	(57,500)
Changes of assumptions and other inputs	1,682,389	(972,071)	(19,283,410)	-	4,598,940	(3,838,289)	-	-
Benefit payments	(4,875,940)	(4,611,901)	(6,061,187)	(6,412,319)	(4,572,479)	(6,412,060)	(5,521,427)	(6,748,858)
Administrative expenses	-	-	-	(255,984)	(222,858)	(212,474)	(511,650)	(253,683)
Net change in total OPEB liability	(8,705,018)	(1,197,717)	(38,174,848)	1,531,301	1,515,820	(2,470,530)	1,372,010	590,461
Total OPEB Liability, Beginning	96,754,459	97,952,176	136,127,024	134,595,723	133,079,903	135,550,433	134,178,423	133,587,962
Total OPEB Liability, Ending (a)	$ 88,049,441	$ 96,754,459	$ 97,952,176	$ 136,127,024	$ 134,595,723	$ 133,079,903	$ 135,550,433	$ 134,178,423
Plan Fiduciary Net Position								
Contributions	$ 4,985,346	$ 6,543,128	$ 7,401,177	$ 7,975,172	$ 6,822,193	$ 8,268,691	$ 7,580,617	$ 9,380,577
Net investment income	7,492,061	5,147,167	(6,104,487)	10,870,247	1,366,070	1,561,197	3,010,870	3,143,569
Benefit payments	(4,875,940)	(4,611,901)	(6,061,187)	(6,412,319)	(4,572,479)	(6,412,060)	(6,033,077)	(9,406,516)
Administrative expenses	(108,338)	(92,831)	(103,710)	(255,984)	(222,858)	(212,474)	(511,650)	(253,681)
Net change in plan fiduciary net position	7,493,129	6,985,563	(4,868,207)	12,177,116	3,392,926	3,205,354	4,046,760	2,863,949
Plan Fiduciary Net Position, Beginning	50,993,969	44,008,406	48,876,613	36,699,497	33,306,571	30,101,217	26,054,457	23,190,508
Plan Fiduciary Net Position, Ending (b)	$ 58,487,098	$ 50,993,969	$ 44,008,406	$ 48,876,613	$ 36,699,497	$ 33,306,571	$ 30,101,217	$ 26,054,457
Net OPEB liability, Ending (a) - (b)	$ 29,562,343	$ 45,760,490	$ 53,943,770	$ 87,250,411	$ 97,896,226	$ 99,773,332	$ 105,449,216	$ 108,123,966
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	66.43%	52.70%	44.93%	35.91%	27.27%	25.03%	22.21%	19.42%
Covered-Employee Payroll	$ 63,066,127	$ 98,150,113	$ 67,147,070	$ 85,615,934	$ 83,937,190	$ 91,998,007	$ 90,194,124	$ 88,425,612
Net OPEB Liability as a Percentage of Covered-Employee Payroll	46.88%	46.62%	80.34%	101.91%	116.63%	108.45%	116.91%	122.28%

Notes to Schedule:

The District implemented GASB Statement No. 74 in fiscal year 2017. The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior is not available.

See notes to required supplementary information

Schedules of Employer Contributions - OPEB
Years Ended June 30, 2024 and 2023

	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	$ 5,699,082	$ 6,927,339	$ 10,478,603	$ 7,529,733	$ 7,495,382	$ 6,896,186	$ 9,528,358	$ 9,732,734
Contributions in relation to the actuarially determined contribution	4,985,346	6,543,128	7,401,177	7,975,172	6,822,193	8,268,691	7,580,617	6,906,771
Contribution deficiency (excess)	$ 713,736	$ 384,211	$ 3,077,426	$ (445,439)	$ 673,189	$ (1,372,505)	$ 1,947,741	$ 2,825,963
Covered-employee payroll	$ 63,066,127	$ 98,150,113	$ 67,147,070	$ 85,615,934	$ 83,937,190	$ 91,998,007	$ 90,194,124	$ 88,425,612
Contributions as a percentage of covered-employee payroll	7.90%	6.67%	11.02%	9.32%	8.13%	8.99%	8.40%	7.81%

Valuation date: June 30, 2024
Actuarially determined contribution rates are calculated as of June 30

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll
Amortization period	4.1 years
Asset valuation method	Fair market value
Inflation	2.0 percent
Healthcare cost trend rates	7.75% initially (6.75% for post-Medicare), decreasing 0.30% each year for ten years, and 0.10% per year thereafter until reaching 4.00%
Salary increases	2.0 percent, average, including inflation
Investment rate of return	6.74 percent
Mortality	PUB-2010 headcount weighted base, projected using Scale MP-2021

Notes to Schedules:

The District implemented GASB Statement No. 74 in fiscal year 2017. The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior is not available.

See notes to required supplementary information

Schedules of Investment Returns
Years Ended June 30, 2024 and 2023

	2024	2023	2022	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	15.3%	10.7%	12.7%	29.9%	4.6%	5.2%	11.3%	13.6%

Notes to Schedule:
The District implemented GASB Statement No. 74 in fiscal year 2017. The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior is not available.

Wisconsin Retirement System

The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

The District is required to present the last ten fiscal years data; however the standards allow the District to present as many years as are available until ten fiscal years are presented.

There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System.

Changes in Assumptions related to Pension Liabilities (Assets)

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 postretirement 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-ended December 31, 2018, including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the postretirement 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 Wisconsin 2018 Mortality Table.

Milwaukee Area Technical College Other Post Employment Benefits Trust (OPEB)

The amounts presented for each fiscal year were determined as of the fiscal year-end that occurred within the fiscal year.

The District is required to present the last ten fiscal years data; however the standards allow the District to present as many years as are available until ten fiscal years are presented.

Changes in Assumptions related to OPEB

- Amortization period decreased from 4.8 years to 4.1 years
- Healthcare cost trend rate increased from 7.00% to 7.75%, and post-Medicare increased from 6.00% to 6.75%
- Investment rate of return increased from 6.72% to 6.74%