MILWAUKEE
PBS

WMVS — WMVT-TV
Financial Statements

As of and for the years ended
June 30, 2018 and 2017

WMVS – WMVT-TV

FINANCIAL STATEMENTS

As of and for the years ended June 30, 2018 and 2017

WMVS – WMVT-TV

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As of and for the years ended June 30, 2018 and 2017

BAKER TILLY

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Milwaukee Area Technical College District
Milwaukee, Wisconsin

Report on the Financial Statements

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, 2018, and 2017, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control over financial reporting relevant to the WMVS - WMVT - TV's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the WMVS - WMVT - TV's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

To the Board of Directors
Milwaukee Area Technical College District

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the WMVS - WMVT - TV as of June 30, 2018 and 2017, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only WMVS - WMVT - TV and do not purport to, and do not, present fairly the financial position of the Milwaukee Area Technical College District, as of June 30, 2018, and 2017, and the changes in financial position, or cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As discussed in Note 1, the WMVS - WMVT - TV adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* effective July 1, 2017. Our opinions are not modified with respect to this matter.

Other Matters

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 financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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 November 15, 2018 on our consideration of the WMVS - WMVT - TV'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 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 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 WMVS - WMVT - TV's internal control over financial reporting and compliance.

To the Board of Directors
Milwaukee Area Technical College District

Report on Other Legal and Regulatory Requirements

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 Virchow Krause, LLP

Milwaukee, Wisconsin
November 15, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

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, 2018 and 2017. 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 Non-Current 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 Non-Operating 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 non-operating 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.

Statement of Net Position	2018	2017	2016
Assets:			
Current Assets and Other Assets	$ 12,116,274	$ 9,285,555	$ 9,494,983
Property and Equipment	12,335,171	14,697,737	15,802,208
Total Assets	24,451,445	23,983,292	25,297,191
Deferred outflows of Resources	1,319,031	1,896,286	2,759,146
Liabilities:			
Current Liabilities	6,713,045	7,668,119	7,665,728
Long Term Liabilities	7,000,921	4,474,733	4,936,032
Total Liabilities	13,713,966	12,142,852	12,601,760
Deferred inflows of Resources	3,429,001	3,111,163	3,154,245
Net Position:			
Net Investment in capital assets	6,145,119	7,314,047	8,117,134
Restricted for pensions	879,402	-	-
Unrestricted	1,602,988	3,311,516	4,183,198
Total Net Position	$ 8,627,509	$ 10,625,563	$ 12,300,332
Statement of Revenues, Expenses and Changes in Net Position			
Operating Revenues	$ 12,100,714	$ 11,351,143	$ 11,568,030
Operating Expenses	(17,396,096)	(17,946,636)	(18,023,612)
Operating Loss	(5,295,382)	(6,595,493)	(6,455,582)
General Appropriations	5,204,642	4,321,551	6,053,323
Sale of Property	1,602,400	-	-
Loss on Disposal of Capital Assets	(918,068)	-	-
Investment Income/(Loss)	644,914	804,945	(118,661)
Interest Expense	(214,444)	(205,772)	(289,146)
Non-Operating Income	6,319,444	4,920,724	5,645,516
Transfer In	140,000	-	-
Change in Net Position	1,164,062	(1,674,769)	(813,066)
Net Position, Beginning of the Year, (as restated)	7,463,447	12,300,332	13,113,398
Net Position, End of the Year	$ 8,627,509	$ 10,625,563	$ 12,300,332
Statement of Cash Flows			
Net Cash Flows from Operating Activities	$ (2,391,106)	$ (19,663)	$ (338,125)
Net Cash Flows from Non-Operating Activities	5,204,642	4,321,551	6,053,323
Net Cash Flows from Investing Activities	322,039	210,653	200,876
Net Cash Flow from Capital and Related Financing Activities	(3,135,575)	(4,512,541)	(5,916,074)
Net Increase (Decrease) in Cash	-	-	-
Cash and Cash Equivalents, Beginning of Year	-	-	-
Cash and Cash Equivalents, End of Year	$ -	$ -	$ -

Financial Highlights

2018 Compared to 2017

The financial position of WMVS – WMVT-TV decreased. Net Position totaled $8,627,509 and $10,625,563 for the years ended June 30, 2018 and 2017. WMVS - WMVT-TV's Net Position decreased by $1,998,054 for the year ended June 30, 2018 compared to a decrease in Net Position of $1,674,769 for the year ended June 30, 2017.

Operating Revenues totaled $12,100,714 and $11,351,143 for the years ended June 30, 2018 and 2017, respectively; while Operating Expenses totaled $17,396,096 and $17,946,636 at June 30, 2018 and 2017, respectively. Operating Revenue increased by $749,571 in 2018 compared to 2017. Operating Expenses decreased by $550,540 in 2018 compared to 2017. The Net Operating Loss for Fiscal Year 2018 is $5,295,382 which includes non-cash depreciation and amortization expense of $4,919,635, while the Net Operating Loss for FY2017 was $6,595,493 which included non-cash depreciation and amortization expense of $5,048,822. The Net Non-Operating Income for Fiscal Year 2018 is $6,319,444 which includes proceeds from sale of property of $1,602,400 compared to Fiscal Year 2017 Net Non-operating Income of $4,920,724. Non-operating revenue increased by $2,325,460 in 2018 compared to a decrease of $808,166 in 2017. Non-operating expense increased by $926,740 in 2018 which includes loss on disposal of asset of $918,068 compared to 2017 decrease of $83,374.

During fiscal year 2018 Milwaukee Area Technical College issued $3,796,560 of General Obligation Notes at a premium of $112,919 on behalf of WMVS – WMVT-TV compared to $3,814,395 of General Obligation Notes at a premium of $99,365 in fiscal year 2017. These bonds were issued primarily for the purchase of equipment, program acquisition, program production and building remodeling and improvement projects. In addition, at June 30, 2018 WMVS – WMVT-TV still had $6,029,670 of General Obligation Bonds outstanding which were issued in fiscal year 2013 thru fiscal year 2018. WMVS – WMVT-TV's property and equipment, net of depreciation, totaled $12,335,171 and $14,697,737 at June 30, 2018 and 2017, respectively. Property and equipment additions totaled $3,475,137 and $3,944,351 in fiscal year 2018 and fiscal year 2017 respectively.

Current assets consist primarily of accounts receivable and receivables due from other funds. Non-Current Assets consist primarily of property and equipment, and deferred outflows of resources. Property and equipment are presented net of accumulated depreciation of $51,316,138 and $46,712,233 at June 30, 2018 and 2017, respectively. Current Liabilities consist of accounts payable, accrued liabilities, notes payable and unearned revenues. Non-Current Liabilities consist primarily of notes payable, other post-employment 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. Non-operating revenues consist primarily of general appropriations from MATC and investment income and loss. Non-operating 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 were used primarily for the purchase of equipment and for debt service payments.

2017 Compared to 2016

The financial position of WMVS – WMVT-TV decreased. Net Position totaled $10,625,563 and $12,300,332 for the years ended June 30, 2017 and 2016. WMVS - WMVT-TV's Net Position decreased by $1,674,769 for the year ended June 30, 2017 compared to a decrease in Net Position of $813,066 for the year ended June 30, 2016.

Operating Revenues totaled $11,351,143 and $11,568,030 for the years ended June 30, 2017 and 2016, respectively; while Operating Expenses totaled $17,946,636 and $18,026,612 at June 30, 2017 and 2016, respectively. Operating Revenue decreased by $216,887 in 2017 compared to 2016. Operating Expenses decreased by $76,976 in 2017 compared to 2016. The Net Operating Loss for Fiscal Year 2017 is $6,595,493 which includes non-cash depreciation and amortization expense of $5,048,822, while the Net Operating Loss for FY2016 was $6,455,582 which included non-cash depreciation and amortization expense of $4,877,603. The Net Non-Operating Income is $4,920,724 in Fiscal Year 2017 compared to $5,645,516 in Fiscal Year 2016. Non-operating revenue decrease by $808,166 in 2017 compared to 2016. Non- Operating expense decreased by $83,374 in 2017 compared to 2016.

During fiscal year 2017 Milwaukee Area Technical College issued $3,814,395 of General Obligation Notes at a premium of $99,365 on behalf of WMVS – WMVT-TV compared to $4,100,000 at a premium of $122,535 in fiscal year 2016. These bonds were issued primarily for the purchase of equipment, program acquisition, program production and building remodeling and improvement projects. In addition, at June 30, 2017 WMVS – WMVT-TV still had $7,221,199 of General Obligation Bonds outstanding which were issued in fiscal year 2011 thru fiscal year 2017. WMVS – WMVT-TV's property and equipment, net of depreciation, totaled $14,697,737 and $15,802,208 at June 30, 2017 and 2016, respectively. Property and equipment additions totaled $3,944,351 and $4,068,560 in fiscal year 2017 and fiscal year 2016 respectively.

Current assets consist primarily of accounts receivable and receivables due from other funds. Non-Current Assets consist primarily of property and equipment. Property and equipment are presented net of accumulated depreciation of $46,712,233 and $41,663,411 at June 30, 2017 and 2016, respectively. Current Liabilities consist of accounts payable, accrued liabilities, notes payable and unearned revenues. Non-Current Liabilities consist primarily of notes payable and the net position liability.

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. Non-operating revenues consist primarily of general appropriations from MATC and investment income and loss. Non-operating 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 were 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 tax payers 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

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BASIC FINANCIAL STATEMENTS

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WMVS - WMVT-TV

STATEMENTS OF NET POSITION

As of June 30, 2018 and 2017

	2018	2017
ASSETS		
Current Assets:		
Due from MATC - General Fund		
Unrestricted	$ 3,039,906	$ 1,852,710
Accounts receivable	8,196,966	7,432,845
Total current assets	11,236,872	9,285,555
Noncurrent Assets:		
Net pension asset	879,402	-
Television studio, broadcast equipment and programming rights	63,651,309	61,409,970
Less: accumulated depreciation and amortization	(51,316,138)	(46,712,233)
Total noncurrent assets	13,214,573	14,697,737
TOTAL ASSETS	24,451,445	23,983,292
DEFERRED OUTFLOW OF RESOURCES		
Deferred outflows related to pensions	1,319,031	1,896,286
LIABILITIES		
Current liabilities:		
Accounts payable	32,858	11,957
Accrued liabilities	171,360	215,582
Compensated absences	29,028	31,545
Due to other funds	3,945,524	3,945,524
Current portion of notes payable	2,534,275	3,463,511
Total current liabilities	6,713,045	7,668,119
Long-term liabilities:		
Notes payable	3,655,777	3,920,179
Compensated absences	261,251	287,989
Net OPEB liability	3,083,893	-
Net pension liability	-	266,565
Total long-term liabilities	7,000,921	4,474,733
TOTAL LIABILITIES	13,713,966	12,142,852
DEFERRED INFLOW OF RESOURCES		
Deferred inflows related to OPEB	61,345	-
Deferred inflows related to pensions	1,534,762	813,556
Unearned revenue	1,832,894	2,297,607
TOTAL DEFERRED INFLOWS OF RESOURCES	3,429,001	3,111,163
NET POSITION		
Net investment in capital assets	6,145,119	7,314,047
Restricted for pensions	879,402	-
Unrestricted	1,602,988	3,311,516
TOTAL NET POSITION	$ 8,627,509	$ 10,625,563

WMVS - WMVT-TV

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the years ended June 30, 2018 and 2017

	2018	2017
OPERATING REVENUES		
Fees for services and advertising	$ 415,829	$ 251,710
General appropriations from MATC	1,038	209
Federal revenues	63,609	76,791
Corporation for Public Broadcasting service grants	2,297,607	2,053,022
Auction revenue	291,706	707,817
Contributed support	2,919,017	2,641,604
Membership income	5,212,996	4,581,227
Underwriting income	671,300	949,461
Spectrum income	166,036	-
Special event income	61,576	89,302
Total operating revenues	12,100,714	11,351,143
OPERATING EXPENSES		
Programming and production	1,949,958	2,114,263
Broadcasting	2,714,651	2,726,827
Fund raising	748,593	947,419
Management and general	4,382,751	4,480,993
Member benefits/Sales and marketing	2,009,090	1,941,558
Program information	671,418	686,754
Depreciation and amortization	4,919,635	5,048,822
Total operating expenses	17,396,096	17,946,636
Operating loss	(5,295,382)	(6,595,493)
NONOPERATING REVENUES (EXPENSES)		
General appropriations from MATC - tax levy	5,204,642	4,321,551
Sale of property	1,602,400	-
Loss on asset disposal	(918,068)	-
Investment income (loss)	644,914	804,945
Interest expense	(214,444)	(205,772)
Total nonoperating revenues (expenses)	6,319,444	4,920,724
Change in net position before transfers	1,024,062	(1,674,769)
TRANSFERS IN	140,000	-
Change in Net Position	1,164,062	(1,674,769)
NET POSITION - BEGINNING OF YEAR, as restated	7,463,447	12,300,332
NET POSITION - END OF YEAR	$ 8,627,509	$ 10,625,563

WMVS - WMVT-TV

STATEMENTS OF CASH FLOWS

For the years ended June 30, 2018 and 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received for services	$ 6,188,695	$ 6,823,984
Cash received from federal and state grants	2,361,216	2,129,813
Cash received (payment to) from other funds	(1,461,368)	1,038,198
Cash payments for materials and services	(3,483,395)	(4,357,559)
Cash payments to employees	(5,996,254)	(5,654,099)
Net cash from operating activities	(2,391,106)	(19,663)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Local tax levy	5,204,642	4,321,551
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(1,872,737)	(3,944,351)
Proceeds of borrowings for capital purposes	3,796,560	3,814,395
Premium on proceeds of borrowing	112,919	99,365
Principal repayments related to capital purposes	(4,988,089)	(4,110,241)
Interest paid	(324,228)	(371,709)
Transfers in related to capital purposes	140,000	-
Net cash from capital and related financing activities	(3,135,575)	(4,512,541)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	322,039	210,653
Net change in cash and cash equivalents	-	-
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	-	-
CASH AND CASH EQUIVALENTS - END OF YEAR	$ -	$ -

See accompanying notes to financial statements

WMVS - WMVT-TV

STATEMENTS OF CASH FLOWS

For the years ended June 30, 2018 and 2017

	2018	2017
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$ (5,295,382)	$ (6,595,493)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation and amortization	4,919,635	5,048,822
Changes in assets, deferred outflows, liabilities and deferred inflows		
Accounts receivable	(441,245)	36,997
Due from other funds	(1,187,196)	766,723
Accrued liabilities	(78,721)	71,831
Accounts payable	20,900	(145,936)
Deferred outflows	577,255	862,860
Deferred inflows	782,551	(287,549)
Due to other funds	-	234,269
Net OPEB liability	(78,223)	-
Net pension liability (asset)	(1,145,967)	(256,654)
Unearned revenue	(464,713)	244,467
Net cash from operating activities	$ (2,391,106)	$ (19,663)
Noncash investing activities		
Unrealized gains (losses) on investments held by Foundation	$ 322,875	$ 594,292

See accompanying notes to financial statements

NOTE 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.

In June 2015, the GASB issued statement No 75 - *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). The Stations implemented this standard effective July 1, 2017.

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.

NOTE 1 –NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Classification of Revenue and Expense (cont.)

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 position 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.

NOTE 1 –NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)

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, 2018 and 2017.

Deferred Inflow of Resources

A deferred inflow of resources represents an acquisition of net position 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

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

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Postemployment Benefits Other than Pensions

For purposes of measuring the net OPEB liability, deferred outflows 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.

Net Position

a. 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.

b. 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.

c. 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.

NOTE 2 –CAPITAL ASSETS

Capital asset activity for the years ended June 30, 2018 and 2017 are as follows:

Capital assets being depreciated	Balance 7/1/17	Additions	Deletions	Balance 6/30/18
Land	$ 140,000	$ -	$ (140,000)	$ -
Building	824,669	-	(824,669)	-
Building improvements	2,467,967	-	(217,670)	2,250,297
Transmission equipment	12,700,930	-	-	12,700,930
Equipment	19,687,434	519,589	(51,459.00)	20,155,564
Programming rights	25,588,970	2,955,548	-	28,544,518
Total Capital Assets Being Depreciated/Amortized	61,409,970	3,475,137	(1,233,798)	63,651,309
Less: Accumulated Depreciation /Amortization	(46,712,233)	(4,919,635)	315,730	(51,316,138)
Total Capital Assets, Net of Depreciation/Amortization	$ 14,697,737	$ (1,444,498)	$ (918,068)	$ 12,335,171

Capital assets being depreciated	Balance 7/1/16	Additions	Deletions	Balance 6/30/17
Land	$ 140,000	$ -	$ -	$ 140,000
Building	824,669	-	-	824,669
Building improvements	2,467,967	-	-	2,467,967
Transmission equipment	12,700,930	-	-	12,700,930
Equipment	18,240,522	1,446,912	-	19,687,434
Programming rights	23,091,531	2,497,439	-	25,588,970
Total Capital Assets Being Depreciated/Amortized	57,465,619	3,944,351	-	61,409,970
Less: Accumulated Depreciation/Amortization	(41,663,411)	(5,048,822)	-	(46,712,233)
Total Capital Assets, Net of Depreciation/Amortization	$ 15,802,208	$ (1,104,471)	$ -	$ 14,697,737

Accumulated depreciation by class or function is not available.

NOTE 3 – LONG-TERM OBLIGATIONS

Long-term obligations activity for the years ended June 30, 2018 and 2017 are as follows:

	Balance 7/1/17 *	Additions	Deletions	Balance 6/30/18	Amounts Due Within One Year
Notes Payable	$ 7,221,199	$ 3,796,560	$ 4,988,089	$ 6,029,670	$ 2,449,127
Plus:					
Unamortized premium	162,491	112,919	115,028	160,382	85,148
Total Notes Payable	7,383,690	3,909,479	5,103,117	6,190,052	2,534,275
Compensated absences	319,534	-	29,255	290,279	29,028
Net pension liability	266,565	-	266,565	-	-
Net OPEB liability	3,162,116	-	78,223	3,083,893	-
Total	$ 11,131,905	$ 3,909,479	$ 5,477,160	$ 9,564,224	$ 2,563,303

	Balance 7/1/16	Additions	Deletions	Balance 6/30/17	Amounts Due Within One Year
Notes Payable	$ 7,517,046	$ 3,814,395	$ 4,110,242	$ 7,221,199	$ 3,383,410
Plus:					
Unamortized premium	168,028	99,365	104,902	162,491	80,101
Total Notes Payable	7,685,074	3,913,760	4,215,144	7,383,690	3,463,511
Compensated absences	315,449	4,085	-	319,534	31,545
Net pension liability	523,219	-	256,654	266,565	-
Total	$ 8,523,742	$ 3,917,845	$ 4,471,798	$ 7,969,789	$ 3,495,056

* The net OPEB liability was restated as of July 1, 2017 due to the implementation of GASB 75.
See Footnote 9 for further information.

NOTE 3 –LONG-TERM OBLIGATIONS (continued)

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:

	2018	2017
2013-14C general obligation promissory notes, interest at 2%, annual amounts from $1,240,981 to $823,671 due on June 1 through 2018 (a)	$ -	$ 929,519
2014-15C general obligation promissory notes, interest at 1.5 to 2%, annual amounts from $3,565,000 to $4,175,000 due on June 1 through 2019 (b)	706,898	1,448,430
2015-16C general obligation promissory notes, interest at 2 to 3%, annual amounts from $3,280,000 to $3,700,000 due on June 1 through 2020 (c)	1,322,022	1,944,311
2016-17C general obligation promissory notes, interest at 2.0 to 3.0%, annual amounts from $2,935,000 to $3,445,000 due on June 1 through 2021 (d)	1,808,870	2,898,939
2017-18C general obligation promissory notes, interest at 2.0 to 4.0%, annual amounts from $2,960,000 to $6,450,000 due on June 1 through 2022 (e)	2,191,880	-
Total outstanding payable notes	6,029,670	7,221,199
Unamortized premium	160,382	162,491
	$ 6,190,052	$ 7,383,690

NOTE 3 – NOTES PAYABLE (continued)

(a) The General Obligation Promissory Notes dated September 16, 2013, were issued for $19,500,000 to acquire 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, 2014, were issued for $19,500,000 to acquire 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, 2015, were issued for $22,500,000 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 15, 2016, were issued for $22,500,000 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 12, 2017, were issued for $22,500,000 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:

Year	Principal	Interest	Total
2019	$ 2,449,127	$ 184,834	$ 2,633,961
2020	1,813,476	118,489	1,931,965
2021	1,185,772	68,746	1,254,518
2022	581,295	35,375	616,670
	$ 6,029,670	$ 407,444	$ 6,437,114

NOTE 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.

NOTE 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.

WMVS – WMVT-TV participate in a community service grant which is subject to an audit by the Corporation for Public Broadcasting (CPB). CPB audited WMVS – WMVT-TV community service grant for the period July 1, 2015 through June 30, 2017. The objective of the audit is to examine the stations certification of compliance with CPB grant terms. The Office of Inspector General (OIG) issued the final audit report on September 25, 2018. The reported findings and recommendations do not necessarily represent the final CPB position on the recommendations. CPB officials will make a final determination on the findings and recommendations in accordance with established audit resolution procedures, within 180 days of the issuance of the audit report. WMVT-TV expects based on the OIG audit findings there will be no negative impact to the financial statements.

NOTE 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, 2018 and 2017.

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

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.

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

NOTE 7 –WISCONSIN RETIREMENT SYSTEM – CURRENT YEAR

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2008	6.6%	0%
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5.0)
2017	2.0	4.0

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 $7,528,068 in contributions from the employer.

Contribution rates for the year ended June 30, 2018 are:

	Employee	Employer
July 1, 2017 - December 31, 2017	6.80%	6.80%
January 1, 2018 - June 30, 2018	6.70%	6.70%

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

At June 30, 2018, the District reported an asset of $22,897,039 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2016 rolled forward to December 31, 2017. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension asset was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers.

NOTE 7 –WISCONSIN RETIREMENT SYSTEM – CURRENT YEAR (continued)

At December 31, 2017, the District's proportion was 0.77117292%, which was a decrease of 0.01198711% from its proportion measured as of December 31, 2016.

For the year ended June 30, 2018, the District recognized pension expense of $11,433,978.

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

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$ 29,091,259	$ 13,607,926
Changes in assumptions	4,524,008	-
Net differences between projected and actual earnings on pension plan investments		31,469,850
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,336,276	60,115
Employer Contributions - January 1, 2018 to end of current fiscal year	3,813,144	-
Total	$ 38,764,687	$ 45,137,891

$3,813,144 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 asset in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended June 30:	
2019	$ 3,054,698
2020	282,464
2021	(7,632,280)
2022	(5,946,045)
2023	54,815

NOTE 7 –WISCONSIN RETIREMENT SYSTEM – CURRENT YEAR (continued)

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

Actuarial Valuation Date:	December 31, 2016
Measurement Date of Net Pension Liability (Asset)	December 31, 2017
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases: Inflation Seniority/Merit	 3.2% 0.2% - 5.6%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*	2.1%

*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2015 using experience from 2012 - 2014. The total pension liability for December 31, 2017 is based upon a roll-forward of the liability calculated from the December 31, 2016 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:

NOTE 7 –WISCONSIN RETIREMENT SYSTEM – CURRENT YEAR (continued)

Asset Allocation Targets and Expected Returns

As of December 31, 2017

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	50	8.2	5.3
Fixed Income	24.5	4.2	1.4
Inflation Sensitive Assets	15.5	3.8	1.0
Real Estate	8	6.5	3.6
Private Equity/Debt	8	9.4	6.5
Multi-Asset	4	6.5	3.6
Total Core Fund	110	7.3	4.4
Variable Fund Asset Class			
U.S. Equities	70	7.5	4.6
International Equities	30	7.8	4.9
Total Variable Fund	100	7.9	5.0

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.75%

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

Single Discount rate. A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long term bond rate of 3.78%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% 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 long-term 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 Station's proportionate share of the net pension liability (asset) in the discount rate. The following presents the Station's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.20 percent, as well as what the Station's proportionate share of the net pension (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

NOTE 7 –WISCONSIN RETIREMENT SYSTEM – CURRENT YEAR (continued)

	1% Decrease to Discount Rate (6.2%)	Current Discount Rate (7.2%)	1% Increase to Discount Rate (8.2%)
MATC's proportionate share of the net pension liability (asset)	$ 59,242,457	$ (22,897,039)	$ (85,325,597)

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://legis.wisconsin.gov/lab/ and reference report number 18-11.

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

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.

NOTE 8 –WISCONSIN RETIREMENT SYSTEM – PRIOR YEAR (CONTINUED)

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.

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

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2007	3.0%	10%
2008	6.6	0
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5.0)

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 $7,472,304, in contributions from the employer.

Contribution rates for the year ended June 30, 2017 are:

	Employee	Employer
July 1, 2016 - December 31, 2016	6.60%	6.60%
January 1, 2017 - June 30, 2017	6.80%	6.80%

NOTE 8 –WISCONSIN RETIREMENT SYSTEM – PRIOR YEAR (CONTINUED)

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

At June 30, 2017, the District reported a liability of $6,455,108 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2015 rolled forward to December 31, 2016. 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, 2016, the District's proportion was 0.78316003%, which was a decrease of 0.03405996% from its proportion measured as of December 31, 2015.

For the year ended June 30, 2017, the District recognized pension expense of $15,672,067.

At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$ 2,461,334	$ 20,300,758
Changes in assumptions	6,749,066	-
Net differences between projected and actual earnings on pension plan investments	32,131,485	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,928,920	-
Employer contributions subsequent to the measurement date	3,914,806	-
Total	$ 47,185,611	$ 20,300,758

$3,914,806 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 in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

NOTE 8 –WISCONSIN RETIREMENT SYSTEM – PRIOR YEAR (CONTINUED)

Year ended June 30:	Deferred Outflow of Resources	Deferred Inflow of Resources
2018	$ 15,633,917	$ 6,481,310
2019	15,633,917	6,481,310
2020	12,820,050	6,481,310
2021	(838,096)	856,828
2022	21,017	-

Actuarial assumptions – The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2015
Measurement Date of Net Pension Liability (Asset)	December 31, 2016
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases: Inflation Seniority/Merit	 3.2% 0.2% - 5.6%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*	2.1%

*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2015 using experience from 2012 - 2014. The total pension liability for December 31, 2016 is based upon a roll-forward of the liability calculated from the December 31, 2015 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:

NOTE 8 –WISCONSIN RETIREMENT SYSTEM – PRIOR YEAR (CONTINUED)

Asset Allocation Targets and Expected Returns
As of December 31, 2016

Core Fund Asset Class	Asset Allocation %	Destination Target Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	50 %	45 %	8.3 %	5.4 %
Fixed Income	24.5	37	4.2	1.4
Inflation Sensitive Assets	15.5	20	4.3	1.5
Real Estate	8	7	6.5	3.6
Private Equity/Debt	8	7	9.4	6.5
Multi-Asset	4	4	6.6	3.7
Total Core Fund	110	120	7.4	4.5
Variable Fund Asset Class				
U.S. Equities	70	70	7.6	4.7
International Equities	30	30	8.5	5.6
Total Variable Fund	100	100	7.9	5

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.75%

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

Single Discount rate. A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long term bond rate of 3.78%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% 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 long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 8 –WISCONSIN RETIREMENT SYSTEM – PRIOR YEAR (CONTINUED)

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 7.20 percent, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease to Discount Rate (6.2%)	Current Discount Rate (7.2%)	1% Increase to Discount Rate (8.2%)
MATC's proportionate share of the net pension liability (asset)	$ 84,921,091	$ 6,455,108	$ (53,967,252)

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://legis.wisconsin.gov/lab/ and reference report number 15-11.

NOTE 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. Furthermore, the information contained in this note provides two years of data where required as GASB Statement No. 74 was implemented in the previous year. For instances where only one year of data is provided, GASB Statement No. 75 was implemented as of July 1, 2017. In future years, the District will show two years of data. See Footnote No. 9 for prior year Other Postretirement Benefits under GASB Statement No. 45.

(a) 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.

NOTE 9 – OTHER POSTRETIREMENT BENEFITS– CURRENT YEAR (CONTINUED)

(a) Plan Description (continued)

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 Post-Employment 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

NOTE 9 – OTHER POSTRETIREMENT BENEFITS– CURRENT YEAR (CONTINUED)

(a) Plan Description (continued)

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, 2018 and 2017, the District's average contribution rate was 8.4 percent and 7.8 percent of covered-employee payroll, respectively. Plan members are required to contribute to the plan.

Investment policy

The Trust's policy in regard to 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

NOTE 9 – OTHER POSTRETIREMENT BENEFITS– CURRENT YEAR (CONTINUED)

(a) Plan Description (continued)

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 2018	2017
Black Rock Mid-Cap Growth Equity	Mutual Fund Equity	0.0%	9.0%
Fideilty Salem Street Trust	Mutual Fund Equity	9.5%	0.0%
Fidelity Concord Street Trust	Mutual Fund Equity	7.2%	0.0%
Fidelity Large Cap Value Index	Mutual Fund Equity	9.2%	0.0%
Glenmede Large Cap Growth Fund	Mutual Fund Fixed Income	4.9%	5.2%
Russell 1000 Value Index Fund	ETF Equity	0.0%	7.1%
SPDR 500 Trust ETF	ETF Equity	0.0%	7.3%
T Rowe Price Large Cap Growth Fund	Mutual Fund Fixed Income	5.3%	6.2%
Touchstone Sands Cap Growth Fund	Mutual Fund Fixed Income	5.5%	5.2%

Rate of return

For the year ended June 30, 2018 and 2017, the annual money-weighted rate of return on investments, net of investment expense, was 11.33 percent and 13.64 percent, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

(b) 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.

NOTE 9 – OTHER POSTRETIREMENT BENEFITS– CURRENT YEAR (CONTINUED)

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

Measurement dates	
For June 30, 2018 liabilities	June 30, 2018
For June 30, 2017 liabilities	June 30, 2017
Actuarial valuation date	July 1, 2017
Inflation	2.0 percent
Salary increases	2.0 percent, average, including inflation
Investment rate of return	13.68 percent, net OPEB plan investment expense, including inflation
Healthcare cost trend rates	Medical: 8.0 percent to grade uniformly to 5.0 percent over a 6 year trend

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the June 30, 2018 and 2017, valuations were based on the results of an actuarial experience study for the period July 1, 2015 - June 30, 2017.

Discount rate

The discount rate used to measure the total OPEB liability was 5.0 percent. The projection of cash flows used to determine the discount rate assumed that District) contributions will be made at rates equal to the actuarially determined contribution rates.

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, 2018 and 2017, were as follows:

NOTE 9 – OTHER POSTRETIREMENT BENEFITS– CURRENT YEAR (CONTINUED)

(b) Net and Total OPEB liability of the Milwaukee Area Technical College District (continued)

	2018	2017
Total OPEB Liability	$ 135,550,433	$ 134,178,423
Plan Fiduciary Net Position	(30,101,213)	(26,054,453)
Net OPEB Liability	$ 105,449,220	$ 108,123,970
Plan Fiduciary Net Position as a percent of total OPEB Liability	22.21%	19.42%

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, 2017	$ 134,178,423	$ 26,054,453	$ 108,123,970
Changes for the year			
Service cost	1,321,231	-	1,321,231
Interest	6,473,329	-	6,473,329
Differences between expected and actual experience	- (389,473)	-	(389,473)
Contributions - employer	-	7,580,617	(7,580,617)
Net investment income	-	3,010,870	(3,010,870)
Benefit payments	(6,033,077)	(6,033,077)	-
Administrative expense	-	(511,650)	511,650
Net changes	1,372,010	4,046,760	(2,674,750)
Balance at June 30, 2018	$ 135,550,433	$ 30,101,213	$ 105,449,220

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 (4.0 percent) or 1-percentage-point higher (6.0 percent) than the current discount rate:

	1% Decrease (4.00%)	**Discount Rate (5.00%)**	**1% Increase (6.00%)**
Net OPEB Liability as of June 30, 2018	$ 146,857,641	$ 105,449,220	$ 75,721,650
Net OPEB Liability as of June 30, 2017	$ 149,504,148	$ 108,113,956	$ 80,569,134

NOTE 9 – OTHER POSTRETIREMENT BENEFITS– CURRENT YEAR (CONTINUED)

(b) Net and Total OPEB liability of the Milwaukee Area Technical College District (continued)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates
The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.0 percent decreasing to 4.0 percent) or 1-percentage-point higher (9.0 percent decreasing to 6.0 percent) than the current healthcare cost trend rates:

	1% Decrease (7.00% Decreasing to 4.00%)	Healthcare Cost Trend Rates (8.00% Decreasing to 5.00%)	1% Increase (9.00% Decreasing to 6.0%)
Net OPEB Liability as of June 30, 2018	$ 90,799,529	$ 105,449,220	$ 122,859,685
Net OPEB Liability as of June 30, 2017	$ 94,496,351	$ 108,123,970	$ 124,731,781

(c) OPEB expense and deferred outflows of resources and deferred inflows resources related to OPEB

For the year ended June 30, 2018, the District recognized OPEB expenses of $4,573,537. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outfows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (1,708,147)
Net difference between projected and actual earnings on OPEB plan investments	-	(389,473)
Total	$ -	$ (2,097,620)

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

NOTE 9 – OTHER POSTRETIREMENT BENEFITS– CURRENT YEAR (CONTINUED)

(c) OPEB expense and deferred outflows of resources and deferred inflows resources related to OPEB (continued)

Year Ended June 30		
2018	$	(397,268)
2019		(397,268)
2020		(397,268)
2021		(397,268)
2022		(397,268)
Thereafter		(111,280)
Total	$	(2,097,620)

(d) 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, 2018 in the amount of $1,000,000.00.

NOTE 10 – SUBSEQUENT EVENTS

On September 12, 2017, the District issued $3,796,560 Series 2017-18C General Obligation Promissory Notes, 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 2.0 to 4.0 percent.

NOTE 11 – RESTATEMENT OF NET POSITION

Net Position has been restated as a result of the implementation of GASB Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefit Plans Other the Pension Plans*, which required the District to record the total postemployment benefit liability less any related trust assets of the District's other postemployment benefit plan (OPEB), and record related deferred outflows and deferred inflows of resources and expenses as of the plan's actuarial valuation. The details of this restatement are as follows:

Net Position - June 30, 2017 (as reported)	$	10,625,563
Less: Net OPEB liability per GASB Statement No. 75		(3,162,116)
Net Position - June 30, 2017 (as restated)	$	7,463,447

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REQUIRED SUPPLEMENTARY INFORMATION

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WMVS - WMVT -TV

SCHEDULES OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) AND CONTRIBUTIONS

As of and for the years ended June 30, 2018, 2017, 2016 and 2015

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

	2018	2017	2016	2015
Proportion of the net pension liability (asset)	0.77117292%	0.78316003%	0.81721999%	0.855349490%
Proportionate share of the net pension liability (asset)	$ (22,897,039)	$ 6,455,108	$ 13,279,666	$ (21,003,946)
Covered employee payroll	$ 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	20.69%	5.70%	11.89%	19.26%
Plan fiduciary net position as percentage of the total pension liability	102.93%	99.12%	98.20%	102.74%

Schedule of Contributions - Wisconsin Retirement System

	2018	2017	2016	2015
Contractually required contributions	$ 7,426,406	$ 7,611,658	$ 7,662,571	$ 7,643,646
Contributions in relation to the contractually required contributions	$ (7,426,406)	$ (7,611,658)	$ (7,662,571)	$ (7,643,646)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered employee payroll	$ 110,782,554	$ 110,377,761	$ 110,788,839	$ 111,227,194
Contribution as a percentage of covered-employee payroll	6.70%	6.90%	6.92%	6.87%

This Schedules of District Proportionate Share of the Net Pension Liability/(Asset) and Contribution represents the District Wide Milwaukee Area Technical College proportionate share of the WRS net pension liability/(asset) and contribution. WMVS-WMVT-TV does participate within the plan. WMVS_WMVT_TV's proportionate share is represented on the face of the financial statements.

See independent auditors' report and notes to required supplementary information.

WMVS - WMVT -TV

SCHEDULE OF CHANGES IN THE CLIENT'S NET OPEB LIABILITY AND RELATED RATIOS
As of and for the years ended June 30, 2018 and 2017

	2018	2017
Total OPEB Liability		
Service cost	$ 1,321,231	$ 1,258,315
Interest	6,473,329	6,392,187
Differences between expected and actual experience	(389,473)	(57,500)
Benefit payments	(6,033,077)	(7,002,541)
Net Change in Total OPEB Liability	1,372,010	590,461
Total OPEB Liability - Beginning	134,178,423	133,587,962
Total OPEB Liability - Ending (a)	$ 135,550,433	$ 134,178,423
Plan Fiduciary Net Position		
Contributions - employer	$ 3,790,308	$ 6,906,771
Contributions - employee	3,790,308	2,473,806
Net investment income	3,010,868	3,143,569
Benefit payments	(6,033,077)	(9,406,516)
Administrative expenses	(511,650)	(253,683)
Net Change in Plan Fiduciary Net Position	4,046,758	2,863,947
Plan Fiduciary Net Position - Beginning	26,054,455	23,190,508
Plan Fiduciary Net Position - Ending (b)	$ 30,101,213	$ 26,054,455
Net OPEB Liability - Ending (a) - (b)	$ 105,449,220	$ 108,123,968
Plan fiduciary net position as a percentage of the total OPEB liability	22.21%	19.42%
Covered-employee payroll	$ 90,194,124	$ 88,425,612
Net OPEB liability as a percentage of covered-employee payroll	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.

This Schedules of Changes in Net OPEB Liability and Related Ratios represents the District Wide Milwaukee Area Technical College proportionate share of the OPEB Liability and Related Ratios. WMVS-WMVT-TV does participate within the plan. WMVS_WMVT_TV's proportionate share is represented on the face of the financial statements.

See independent auditors' report and notes to required supplementary information.

WMVS - WMVT - TV

SCHEDULE OF EMPLOYER CONTRIBUTIONS - OPEB
As of and for the years ended June 30, 2018 and 2017

	2018	2017
Actuarially *{or Statutorily or Contractually}* determined contribution	$ 9,528,358	$ 9,732,734
Contributions in relation to the actuarially determined contribution	7,580,617	6,906,771
Contribution deficiency (excess)	$ 1,947,741	$ 2,825,963
Covered-employee payroll	$ 90,194,124	$ 88,425,612
Contributions as a percentage of covered-employee payroll	8.40%	7.81%

Valuation date: June 30, 2018

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Amortization period	20 years
Asset valuation method	5-year smoothed market
Inflation	2.0 percent
Healthcare cost trend rates	8.0 percent initial, decreasing 0.5 percent over a 6year trend
Salary increases	2.0 percent, average, including inflation
Investment rate of return	13.68 percent, net of OPEB plan investment expense, including inflation.
Retirement age	In the 2017 actuarial valuation, expected retirement ages of general employees were adjusted to more closely reflect actuarial experience
Mortality	In the 2017 actuarial valuation, assumed life expectancies were adjusted as a result of adopting the RP-2000 Healthy Annuitant Mortality Table. In prior years, those assumptions were based on the 1994 Group Annuity Mortality Table.

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.

This Schedules of Employer Contributions-OPEB represents the District Wide Milwaukee Area Technical College proportionate share of the OPEB employer contribution. WMVS-WMVT-TV does participate within the plan. WMVS_WMVT_TV's proportionate share is represented on the face of the financial statements.

See independent auditors' report and notes to required supplementary information.

WMVS - WMVT - TV

SCHEDULE OF INVESTMENT RETURNS
As of and for the years ended June 30, 2018 and 2017

	2018	2017
Annual Money-weighted rate of return, net of investment expense	11.33%	13.64%

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.

This Schedules of Investment Returns represents the District Wide Milwaukee Area Technical College proportionate share of the OPEB investment returns. WMVS-WMVT-TV does participate within the plan. WMVS_WMVT_TV's proportionate share is represented on the face of the financial statements.

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.

There were no changes in assumptions.

See independent auditors' report.