Lakeshore Technical College District | Wisconsin

Annual Comprehensive Financial Report

For the Fiscal Years Ended **June 30, 2025 and 2024**

LAKESHORE
COLLEGE

Cleveland, WI

LAKESHORE TECHNICAL COLLEGE DISTRICT

1290 North Avenue
Cleveland, WI 53015
920.693.1000

ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the fiscal years ended June 30, 2025 and 2024

Members of the Board
as of 07/01/2025

Ms. Monica Nichter	Chairperson
Ms. Kim Rooney	Vice-Chairperson
Mr. Donald O. Pohlman	Secretary/Treasurer
Mr. Curt Brauer	Member
Ms. Belinda Esquinas	Member
Ms. Mary Parrish	Member
Ms. Abbey Quistorf	Member
Mr. John Wyatt	Member
Dr. Mike Trimberger	Member

Current Administrators

Dr. Paul Carlsen	President
Dr. Tanya Boman	Vice President of Student Success
Ms. Brenda Riesterer	Executive Vice President of Administration
Dr. Meredith Sauer	Vice President of Instruction
Ms. Heidi Soodsma	Vice President of Strategic Development

Official Issuing Report

Ms. Molly O'Connell	Chief Financial Officer

Report Prepared by

Ms. Molly O'Connell	Chief Financial Officer
Ms. Lisa Friedl	Controller

Assisted by:

Financial Services staff
Research and Planning staff

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LAKESHORE TECHNICAL COLLEGE DISTRICT

ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the fiscal years ended June 30, 2025 and 2024

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December 18, 2025

To the Citizens and Board of Directors of the Lakeshore Technical College District

The Annual Comprehensive Financial Report (ACFR) of Lakeshore Technical College District (District, Lakeshore College, Lakeshore, or College) for the fiscal years ended June 30, 2025, is hereby submitted. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge, the enclosed data is accurate and reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

This report is consistent with legal reporting requirements of the State of Wisconsin, and in our opinion was prepared in conformity with accounting principles generally accepted in the United States of America. In addition to meeting legal reporting requirements, this report is intended to present a comprehensive summary of the significant financial data of the District in a readable format to meet the varying needs of the District's citizens, taxpayers, students, employees, financial institutions, intergovernmental agencies, and the Wisconsin Technical College System.

The District maintains internal controls designed to provide reasonable assurance the District's assets are safeguarded from loss, unauthorized use or disposition and to ensure compliance with established governmental laws, regulations and policies, College policies, and other requirements of those to whom the District is accountable. The internal accounting control structure is designed to provide reasonable, not absolute, assurance these objectives are met.

State law and federal guidelines require an annual audit of the District's financial records. The District has contracted with the independent certified public accounting firm of CliftonLarsonAllen LLP to perform the annual audit of its financial statements and state and federal assistance programs. The Independent Auditors' Report is included in the financial section of this ACFR and reflects an unmodified opinion on the basic financial statements. As a recipient of state and federal awards, the District complies with the requirements of the Single Audit Act, and separate single-audit reports have been issued, which are included in the Single Audit section.

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

PROFILE OF THE LAKESHORE TECHNICAL COLLEGE DISTRICT

Lakeshore College is a public, two-year comprehensive community and technical college located in the rural village of Cleveland, Wisconsin. Lakeshore is locally governed by an appointed nine-member District Board.

In 2024, the Higher Learning Commission (HLC) reaffirmed Lakeshore's accreditation for another decade. The Higher Learning Commission is one of six regional accrediting bodies authorized by the U.S. Department of Education. Lakeshore has been an accredited higher education institution since 1977.

Annually, the district educates more than 9,000 students, with approximately 800 graduates per year. Within six months of graduation, associate degree holders report a median salary of $61,355. Furthermore, 95% of our graduates express high satisfaction with their education, with 99% securing employment within six months of graduation, predominantly within Wisconsin.

Lakeshore serves as a primary provider of higher education to community residents and a vital supplier of skilled workers to regional industries, thereby enhancing overall workforce productivity. Notably, Lakeshore delivered customized employee training to over 110 companies. Lakeshore demonstrates a commitment to excellence through its focus on workforce preparation, affordability, institutional effectiveness, and responsiveness to community needs. Partnerships in the community, with businesses and with education, both K-12 and post-secondary, are key to building career pathways which help keep the economy strong.

Located in east central Wisconsin, Lakeshore serves a district measuring approximately 1,200 square miles, covering Manitowoc and Sheboygan counties and small portions of Calumet and Ozaukee counties. The primary campus, consisting of five instructional buildings and one facility building on a 154-acre site, is in the Village of Cleveland, Wisconsin, centrally located between the district's two primary city centers, Manitowoc and Sheboygan. In addition to the Cleveland campus, Lakeshore educates students at learning campuses in downtown Manitowoc and downtown Sheboygan, and in various district high schools.

Lakeshore is one of 16 comprehensive community and technical colleges in Wisconsin which operates under the coordination of the Wisconsin Technical College System.

Key Accomplishments

Lakeshore College received formal notification by the Higher Learning Commission that the College's accreditation status has been continued. As a Higher Learning Commission-accredited institution, Lakeshore College must uphold the same high standards of quality and excellence and meet the same rigorous criteria the commission requires of other colleges and universities it governs in the region. The Higher Learning Commission is one of six regional accrediting bodies authorized by the U.S. Department of Education. College accreditation includes approval to offer distance education courses and programs. Lakeshore has been an accredited higher education institution since 1977.

PROGRAMMING

The new Froedtert & Medical College of Wisconsin Center for Health Care Excellence opened the Fall of 2024. The 26,000 square foot health care instructional facility doubles Lakeshore's potential annual training capacity to 1,500 in-demand health care and emergency services students. The Lakeshore College Foundation raised $3 million for the project, including $1 million – the largest donation in the college's history – from Froedtert Health and Franciscan Sisters of Christian Charity.

Lakeshore College unveiled its new mobile manufacturing lab in October 2024, making advanced manufacturing training more accessible throughout the community. The state-of-the-art, self-contained training space is available to any organization interested in providing or demonstrating hands-on manufacturing-focused training. Individuals trained in the lab can become certified in 15 industry-relevant

skills in welding, quality assurance, computer numerically controlled machine tooling, and electro-mechanical systems.

The automotive maintenance program at Lakeshore College received Automotive Service Excellence reaccreditation by the ASE Education Foundation. The program has been ASE-accredited for more than 20 years. To achieve ASE accreditation, Lakeshore's automotive maintenance program underwent rigorous evaluation by the ASE Education Foundation. The foundation reviewed nationally accepted standards of excellence in areas such as instruction, facilities, and equipment.

Construction on the expansion of Lakeshore College's on-site dental clinic began in December 2024 with an anticipated completion date of June 2025. Lakeshore secured over $1.2 million in new funding to support the expansion of the college's dental clinic and the development of an accredited dental hygiene program.

The American Welding Society has certified Lakeshore College has met all requirements to continue operating as an accredited welding test facility in Wisconsin. The college became accredited in 2020 and has since granted 159 AWS certifications to welders from Wisconsin and other states.

FUNDING FOR STUDENTS

Nearly $300,000 in scholarships was awarded by the Lakeshore College Foundation to 273 students for the Fall 2024 semester. This includes a record number of 54 scholarships covering full tuition and fees. A total of 360 scholarships were awarded.

The Lakeshore College Foundation awarded $268,000 to Lakeshore College Spring semester students, pushing its total awards for the 2024-25 academic year 81% over the previous year, to $577,000. The Kohler Foundation Advantage, Richard F. Brindza Memorial, and Adam Steel Fund are the new scholarships that led to the Lakeshore College Foundation more than doubling the number of full-tuition awards to students.

Student and District Demographics

Each year, as the fiscal year draws to a close, student demographic data is reviewed to kickstart the input phase for the forthcoming year's Plan and Budget process. Simultaneously, in the fall, a Year End Report is released, presenting an array of essential data points. This report delves into student demographics, their needs, and requirements, serving as a crucial influence on any adjustments made to the strategic plan and initiatives.

The age distribution of Lakeshore's District reveals the potential number of students Lakeshore can serve within the district. In 2024, the largest age group for the district was 65 and older, which will have the largest increase in the next 10 years across age groups. The largest age group enrolled at Lakeshore was the 25-34 age group for programs (which will see a 3% increase in 10 years), and 15-19 age groups for all course enrollments (which will see a 7% decrease in 10 years).

Men make up slightly more than half of the district's population as of 2024. Last year it was expected for the male gender to increase by 11% in the district. It is now expected to only increase 3%, the same as the female increase.

The majority of the Lakeshore District is White persons. One of the next largest groups is of Asian ethnicity, the fastest growing ethnic group in the United States (Pew Research Center, 2022). In Lakeshore's District, 78% of the Asian ethic group is Hmong persons. The Lakeshore District has one of the top 10 U.S. cities with the largest density of Hmong populations (Pew Research Center, 2021). With population projected to increase, and the White ethnic group having 0% change, the district is guaranteed to become more ethnically diverse.

In 2024, 40.4% of the county's population stopped their education at or before high school or GED education level, nearly a 10% increase from 2023 of district citizens not attaining a secondary credential.

Wages typically increase with educational attainment. Lakeshore District educational attainment data demonstrates the correlation between increased education and increased wages. Associate and technical degrees can bridge to higher than median wages and additional educational opportunities, particularly for certain programs of study as some positions and industries have higher pay (Inside Higher Education Report, 2022).

Employments rates in the Lakeshore District are high. Unemployment rates saw a slight increase from 2023 to 2024 but remain lower than state and national rates. The district quickly rebounded from the 2021 spike in unemployment from the COVID-19 pandemic, falling below pre-COVID rates in 2022 and continuing that decreased rate. The impact from the pandemic is not as drastic as was previously predicted due in part to federal stimulus relief, labor and skills shortages in the district, and training options offered through Lakeshore.

Scope of Educational Offerings

The College's educational offerings include degree and diploma programs, apprenticeships, incumbent worker training, and Adult Education. Additional student learning opportunities include internships, clinicals, and participation in student clubs, student life activities, and service-learning experiences.

Lakeshore's programs incorporate industry-leading technologies to reflect District employment needs and to provide a base for experiential learning. Students access these technologies through instructor-led hands-on learning. To increase student accessibility, programs are shared with other colleges and courses are offered through flexible learning options. Sixteen programs hold professional certification or specialized accreditation from thirteen entities.

Institutional Learning Outcomes (ILOs) are also integrated within the coursework that students receive. They are a set of skills, abilities, and attitudes obtained, that often mirror the soft skills local employers expect of Lakeshore graduates. Students are presented throughout their coursework with learning opportunities and experiences to gain this knowledge. At Lakeshore, five distinct outcomes are taught and assessed through a student's experience, both inside and outside of the classroom. Those five outcome areas include Communicate Effectively, Demonstrate Critical Thinking, Work Collaboratively, Exhibit Respect for Individuality, and Model Professionalism.

Programs are developed by reviewing the College's data on employment need, cost of the program, and earnable wages. A process of approval, both by the College District Board and the Wisconsin Technical College System, is required. Once a program is implemented, ongoing evaluation of program health and student outcomes is assessed on a yearly basis through the Quality Review Process. If a program is no longer viable, as determined through a comprehensive review process, enrollments are suspended, currently enrolled students are encouraged to complete the program within a specific and reasonable time frame, and appropriate discontinuance is conducted between the College and the Wisconsin Technical College System office.

In addition to meeting the needs of District residents through programs and course offerings, Lakeshore offers courses, workshops, and seminars to meet the needs of business and industry. Lakeshore's Workforce Solutions provides customized training and technical assistance to employers to update employee skills and improve workplace performance. In addition, Workforce Solutions provides comprehensive assessment services to assist employers to develop training plans for employees.

Adult Education instruction is available through Lakeshore's Manitowoc and Sheboygan locations. Adult Education focuses on academic preparation and includes Adult Basic and Secondary Education (ABE/ASE), English Language Learner (ELL), and adult high school credentialing preparation to earn a General Educational Development (GED) certificate or a High School Equivalency Diploma (HSED). Community Education occurs in a variety of locations and focuses on career exploration.

Faculty and Staff Base

Lakeshore employs 488 full- and part-time people within three organizational groups. Full-time employees include 62 nonexempt staff, 66 exempt staff and 87 faculty. Lakeshore also employs approximately 273 part-time staff made up of adjunct faculty, students, part-time nonexempt staff and temporary help. Lakeshore's staff are aligned to functional areas which make up the systems of the college.

ECONOMIC CONDITIONS

Local Economy

Lakeshore promotes economic growth in the district through its direct expenditures and the resulting expenditures of students and regional businesses. The college serves as an employer and buyer of goods and services for its day-to-day operations. Lakeshore is a primary source of higher education to the district residents and a supplier of trained workers to regional industries, enhancing overall productivity in the regional workforce.

Competitive Environment

There are two University of Wisconsin System institutions and one private, not-for-profit university in the Lakeshore community. While these institutions offer educational opportunities, our missions are unique, allowing for partnerships to form.

Lakeshore continues to remain competitive by offering programs which directly feed employees back into our district, supporting the local economy. Through annual refreshes of the facilities, students are always learning on state-of-the-art equipment and using technology which will mimic their workplaces post-graduation. Student success is supported through multiple sources of academic, personal, and financial resources.

STRATEGIC PLANNING PROCESS

Lakeshore College employs a thorough approach which engages both its staff and the community in formulating its strategic plan. The process involves iterative stages of data analysis, ideation, prioritization, validation, and communication.

In 2025, the strategic planning process witnessed the creation of four new strategic areas of focus and aligned belief statements. To facilitate this process, an external consultant was enlisted. Active participation was sought from Lakeshore Board members, employers, community members, students, and employees.

On an annual basis, departments and academic programs strategize their improvements and objectives. Subsequently, support plans, including those for Facilities, Technology, Equipment, Marketing, Human Resources, and Instructional Plans, are devised. These plans align with divisional and individual improvement goals to ensure consistency with the college's strategic focus and direction. Resources are then allocated to sustain targeted strategic enhancements.

Mission
Transforms individuals to strengthen our communities through innovative and accessible learning.

Vision
The community's driver for individual, social, cultural, and economic vitality.

Strategic Areas of Focus & Belief Statements
- Student Success- *Students thrive in a supportive and engaging environment*.
- Quality Education- *Students and communities thrive from high-quality education*.
- Culture of Excellence- *Employees drive excellence when valued, included, and supported*.
- Strategic Innovation- *Dynamic improvements drive our competitiveness and impact*.

MANAGEMENT SYSTEMS AND CONTROLS

Lakeshore is committed to the development of good management systems and controls. Systems are conscientiously developed within which the District's employees can function effectively which provides appropriate levels of supervision and segregation of duties.

Internal Controls

The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the College are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. To enhance internal controls over purchasing, the college has restricted the number of purchasing cards issued to staff and the limits on what those cards can be used for. Signatory authority on contracts has been restricted to the College President or their designee, with contracts routed for approval by appropriate parties before being submitted for signature.

As a recipient of federal, state and local financial assistance, the College is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws, regulations, contracts and grants related to these programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff of the government.

Budgetary System

Lakeshore's annual budget is prepared in accordance with the requirements of the Wisconsin Technical College System Board. These budget requirements include administrative review, public hearings, and passage by the District board prior to June 30th of each year. Budgeted amounts are controlled by function within funds, with modification or changes of the approved budget possible upon approval by two-thirds vote of the District board.

Based on strategic priorities, objectives, plans, and budgets are developed. These budgets are then reviewed by budget managers and subsequently submitted in detail to the budget staff. The information is then summarized and analyzed by administration prior to being submitted to the District board for approval. Budget forums are held throughout the budget process to allow staff to learn more and provide feedback. As expenditures occur throughout the year, they are recorded against budgeted amounts. Individual budget managers are responsible for monitoring the budgets along with the budget staff. The District's decentralized approach allows for the reallocation of budgets to meet the needs of the public and still maintain proper stewardship.

Independent Audit

The College's board policy and state law requires an annual audit of Lakeshore's financial statements by an independent certified public accountant. This requirement has been complied with and the independent auditors' opinion is included in this report.

Certificate

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lakeshore Technical College District for its annual comprehensive financial report for the fiscal year ended June 30, 2024. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual

comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgment

The preparation of this report on a timely basis was accomplished through the cooperative efforts of the Financial Services Department and other staff, with the assistance of the College's independent auditors, CliftonLarsonAllen LLP. We express our appreciation to our staff for their hours in preparing this report.

Respectfully submitted,





Paul Carlsen, Ph.D.
President

Molly O'Connell
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lakeshore Technical College
Wisconsin

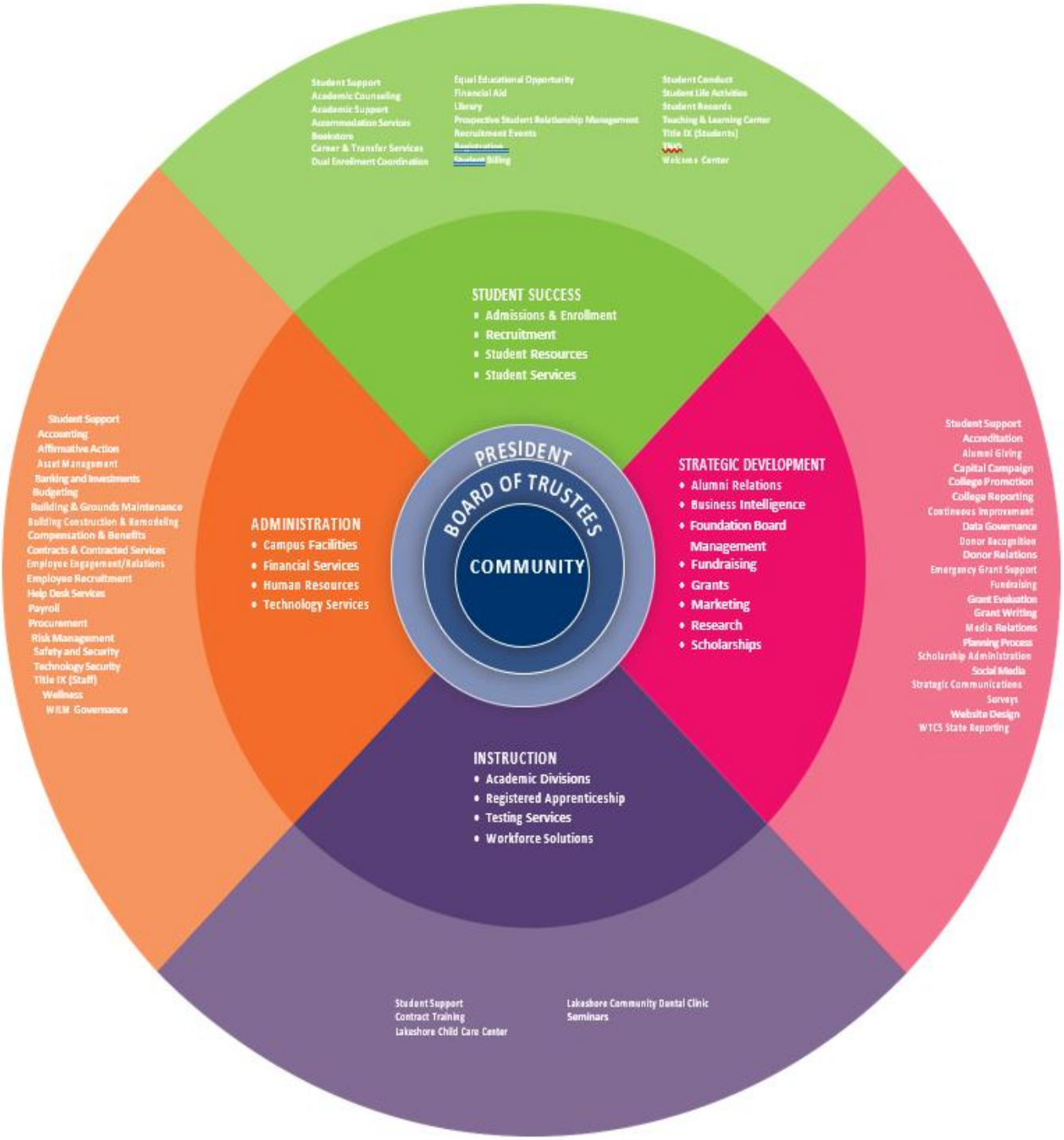
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

Lakeshore College Organizational Chart



Lakeshore College District Board

Officers	Name	Membership Type
Chairperson	Monica Nichter	Employee Member
Vice-Chairperson	Kim Rooney	Additional Member
Secretary/Treasurer	Don Pohlman	Elected Official Member
Member	Curt Brauer	Employee Member
Member	Belinda Esquinas	Employer Member
Member	Mary Parrish	Employee Member
Member	Abbey Quistorf	Employer Member
Member	John Wyatt	Additional Member
Member	Dr. Mike Trimberger	School District Administrator Member

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INDEPENDENT AUDITORS' REPORT

To the District Board
Lakeshore Technical College District
Cleveland, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of the Lakeshore Technical College District (the District or Lakeshore College), as of and for the year ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of the District, as of June 30, 2025 and 2024, 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 Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of Lakeshore College Foundation were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

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

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

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See CLAglobal.com/disclaimer.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual budgetary basis fund financial statements, and the schedule to reconcile the budget basis financial statements to the basic financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the individual budgetary basis fund financial statements, and the schedule to reconcile the budget basis financial statements to the basic financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Wauwatosa, Wisconsin
December 2, 2025



Lakeshore Technical College District
Management's Discussion and Analysis

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

While maintaining its financial health is crucial to the long-term viability of Lakeshore, the primary mission of a public institution of higher education is to provide education and training. Therefore, net position is accumulated only as required to ensure that there are sufficient reserve funds for future operations and implementation of new programs.

The MD&A provides summary level financial information; therefore, it should be read in conjunction with the accompanying financial statements.

Lakeshore College Foundation, Inc. (Foundation) is a separate and independent, not-for-profit corporation whose purpose is to solicit, hold, manage, invest and expend endowment funds and other gifts, grants, and bequests for the maintenance and benefit of Lakeshore and its students. The Foundation is managed by an independent board of directors and is not fiscally accountable to the College. The financial resources of the Foundation are significant to the College as a whole and accordingly, the Foundation is reported as a discretely presented component unit in the College's basic financial statements.

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

Statement of Revenues, Expenses, and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position presents the revenue earned and the expenses incurred during the year. Activities performed by the College are reported as either operating or non-operating activities. In general, a public college such as Lakeshore will report an operating deficit or loss, as the financial reporting model classifies state appropriations and property taxes, the College's main sources of revenue, as non-operating revenues. The utilization of capital assets is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

The following is a reformatted version of the Statement of Revenues, Expenses, and Changes in Net Position:

	2025	2024	Increase/(Decrease) $	Increase/(Decrease) %	2023
Operating Revenues					
Program fees	$ 4,199,446	$ 3,728,825	$ 470,621	12.6%	$ 3,782,714
Material fees	264,321	228,425	35,896	15.7%	220,327
Other student fees	405,740	380,142	25,598	6.7%	351,720
Federal grants	1,608,620	1,750,941	(142,321)	-8.1%	1,668,733
State grants	1,409,695	1,607,550	(197,855)	-12.3%	1,766,513
Business & school contracts	1,842,597	1,855,668	(13,071)	-0.7%	2,103,152
Auxiliary enterprise revenue	783,683	790,170	(6,487)	-0.8%	1,111,340
Miscellaneous revenue	824,415	636,344	188,071	29.6%	497,949
Total operating revenues	11,338,517	10,978,065	360,452	3.3%	11,502,448
Non-operating Revenues					
Property taxes	13,356,732	13,076,196	280,536	2.1%	12,689,751
State operating appropriations	16,299,184	16,003,579	295,605	1.8%	16,421,401
Other federal financial assistance	3,510,346	3,717,116	(206,770)	-5.6%	6,908,779
Gain on disposal of capital assets	0	121,212	(121,212)	-100.0%	82,704
Interest income	1,423,409	1,391,531	31,878	2.3%	761,951
Realized and unrealized gain on investments	0	99,358	(99,358)	-100.0%	110,990
Total non-operating revenues	34,589,671	34,408,992	180,679	0.5%	36,975,576
Total revenues	45,928,188	45,387,057	541,131	1.2%	48,478,024
Operating Expenses					
Instruction	17,934,126	17,001,299	932,827	5.5%	19,132,020
Instructional resources	1,200,866	1,247,611	(46,745)	-3.7%	1,461,975
Student services	4,776,250	5,221,277	(445,027)	-8.5%	7,397,889
General institutional	6,793,481	5,491,082	1,302,399	23.7%	5,498,289
Physical plant	2,129,378	2,157,978	(28,600)	-1.3%	2,209,340
Auxiliary enterprise services	1,205,811	762,722	443,089	58.1%	946,747
Depreciation and amortization	6,977,523	6,651,088	326,435	4.9%	6,381,197
Student aid	2,710,282	1,751,786	958,496	54.7%	1,671,655
Total operating expenses	43,727,717	40,284,843	3,442,874	8.5%	44,699,112
Non-operating Expenses					
Loss on disposal of capital assets	3,838,848	0	3,838,848	n/a	0
Interest expense	943,526	838,027	105,499	12.6%	793,856
Realized and unrealized loss on investments	85,199	0	85,199	n/a	0
Total non-operating expenses	4,867,573	838,027	4,029,546	480.8%	793,856
Total expenses	48,595,290	41,122,870	7,472,420	18.2%	45,492,968
Change in net position before capital contributions	(2,667,102)	4,264,187	(6,931,289)	-162.5%	2,985,056
Contributions	133,085	0	133,085	n/a	2,400,000
Federal and state capital grants	1,272,572	247,004	1,025,568	415.2%	394,125
Change in net position after capital contributions	(1,261,445)	4,511,191	$ (5,772,636)	-128.0%	5,779,181
Net position - beginning of the year	45,131,973	40,620,782			34,841,601
Net position - end of the year	$ 43,870,528	$ 45,131,973			$ 40,620,782

Operating revenues are the charges for services offered by the College. During 2025, the College generated $11.3 million of operating revenue. This is an increase of $360,000 from 2024, or 3%, compared with a decrease of $524,000 or 5% in 2024.

Significant changes in operating revenue for the years ended June 30, 2025 and 2024 are as follows:

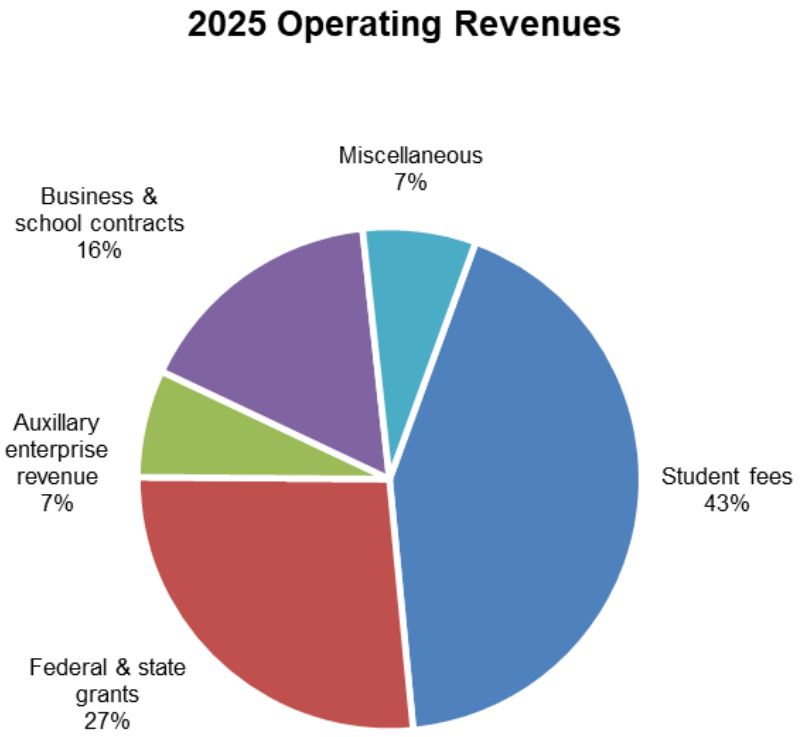
- Program, material and other fees charged to students for attending courses increased by $532,000 or 12% in 2025, compared to a decrease of $17,000, or 0.4% in 2024. The District experienced a 2.5% increase in student FTEs (full-time equivalents) for 2025 and a 5.3% decrease in 2024. Program fee rates for the 2025 and 2024 school years increased by 2.3% and 1.9%, respectively.

- Federal and state grant operating revenue for specific purposes, including financial aid payments to students, totaled $3.0 million for 2025 and saw a decrease of $340,000, or 10%. State grant operating revenue decreased $198,000 in 2025 due to various state grants ending, and federal grant operating revenue decreased $142,000 due to U.S. Department of Education *Strengthening Institutions* grant funding. In 2024, federal and state grant operating revenue was $3.4 million, a decrease of $77,000 or 2% from 2023. State grant operating revenue decreased $159,000 in 2024 due to various state grants ending, and federal grant operating revenue increased $82,000 due to U.S. Department of Education *Strengthening Institutions* grant funding.

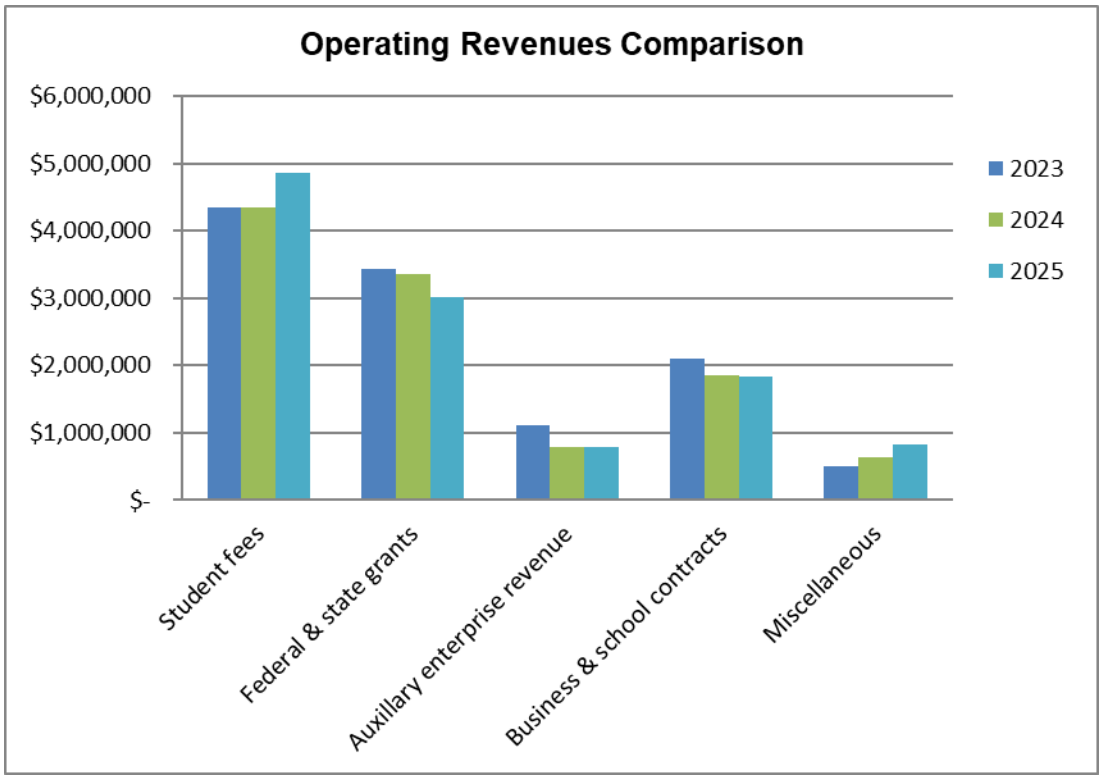
- Auxiliary enterprise revenues, including revenues generated by the bookstore, food service, childcare, and other instructional related activities, decreased $6,000, or 0.8%, in 2025 while 2024 had a decrease of $321,000 or 29%. The decrease in 2024 is due to a decrease in WILM consortium activity and a shift in college funding.

- Contract revenues result from customized training to business and industry as well as local school districts. Contract revenues decreased by $13,000 or 0.7% in 2025 due to a decrease in business and industry contracts and decreased $247,000 or 12% in 2024 due to a decrease in high school contracts.

The following is a graphical illustration of operating revenues by source for the fiscal year ended June 30, 2025.



The graph below depicts the comparison between 3 years of operating revenues:



Non-operating revenues are revenue items not directly related to providing instruction. Non-operating revenues were $34.6 million for 2025, $34.4 million for 2024 and $37.0 million for 2023.

The most significant components of non-operating revenues for the years ended June 30, 2025 and 2024 include the following:

- Property tax revenue for 2025 increased $280,000 or 2%, compared to an increase of $386,000 or 3%, in 2024. Equalized values of property in the District increased by 9% for 2025 and 14% for 2024.

- State operating appropriations for the College increased $296,000 or 2% in 2025 due to an increase in personal property aid. This compares to a decrease of $418,000 or 3% in 2024 due to a decrease in formula-based funding. Property tax relief aid remained flat in 2025 and 2024. General state aids, or formula-based funding, increased $89,000 or 6% in 2025 and decreased $510,000 or 27% in 2024. The outcomes-based funding portion of general state aids increased by $14,000 or 1% in 2025 and increased by $89,000 or 7% in 2024.

- Other federal financial assistance for 2025 in the amount of $3.5 million decreased $207,000 or 6% from 2024 due to COVID relief funding coming to an end (see *Impact of the Spread of COVID-19* on page 27 for additional information). Other federal financial assistance for 2024 decreased $3.2 million or 46% from 2023 due to COVID relief funding coming to an end.

- Interest income, net of fees increased $32,000 or 2% in 2025 and increased $630,000 or 83% in 2024. The weighted average interest rate on investments decreased from 2.83% in 2024 to 2.41% in 2025. For 2025, the District saw a realized and unrealized loss on investments of $85,000. This compares to the realized and unrealized gain on investments of $99,000 for 2024 and realized and unrealized gain on investments of $111,000 for 2023. It is the intention of the College to hold its investments until maturity or until the fair value improves.

Operating expenses are costs related to offering the programs of the College. During 2025, operating expenses totaled approximately $43.7 million. This represents an increase of $3.4 million or 9%, compared to a decrease of $4.4 million or 10% in 2024. The increase in 2025 is largely due to an increase in student aid, contracted services and benefits expense. In addition, operating expenses in 2024 and 2023 fluctuated due to COVID-related grant spend and college activities returning to pre-COVID levels (see *Impact of the Spread of COVID-19* on page 27 for additional information). The majority of the operating expenses, about 59%, are for salary and benefits. Other major types of expenses include supplies, printing and minor equipment (4%), contract services (8%), student aid (6%) and depreciation (16%). Expenses such as travel, insurance, utilities and other expenses account for the remaining 7% of total operating expenses.

Significant changes in operating expenses for the years ended June 30, 2025 and 2024 are as follows:

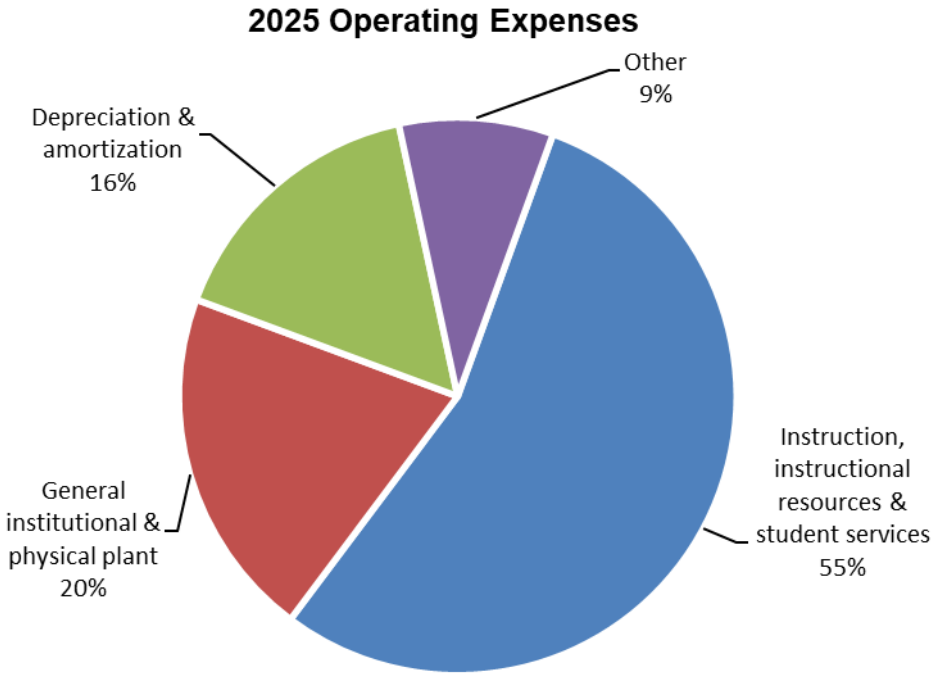
- Direct costs (instruction, instructional resources and student services) increased $441,000 or 2% in 2025 due to an increase in benefit expense. Direct costs for 2024 decreased $4.5 million or 16% due to a decrease in benefit expense and grant spend.

- General institutional and physical plant expenses were $8.9 million for 2025, $7.7 million for 2024 and $7.7 million for 2023. The increase in 2025 is due to an increase in benefit costs and contracted services spend.

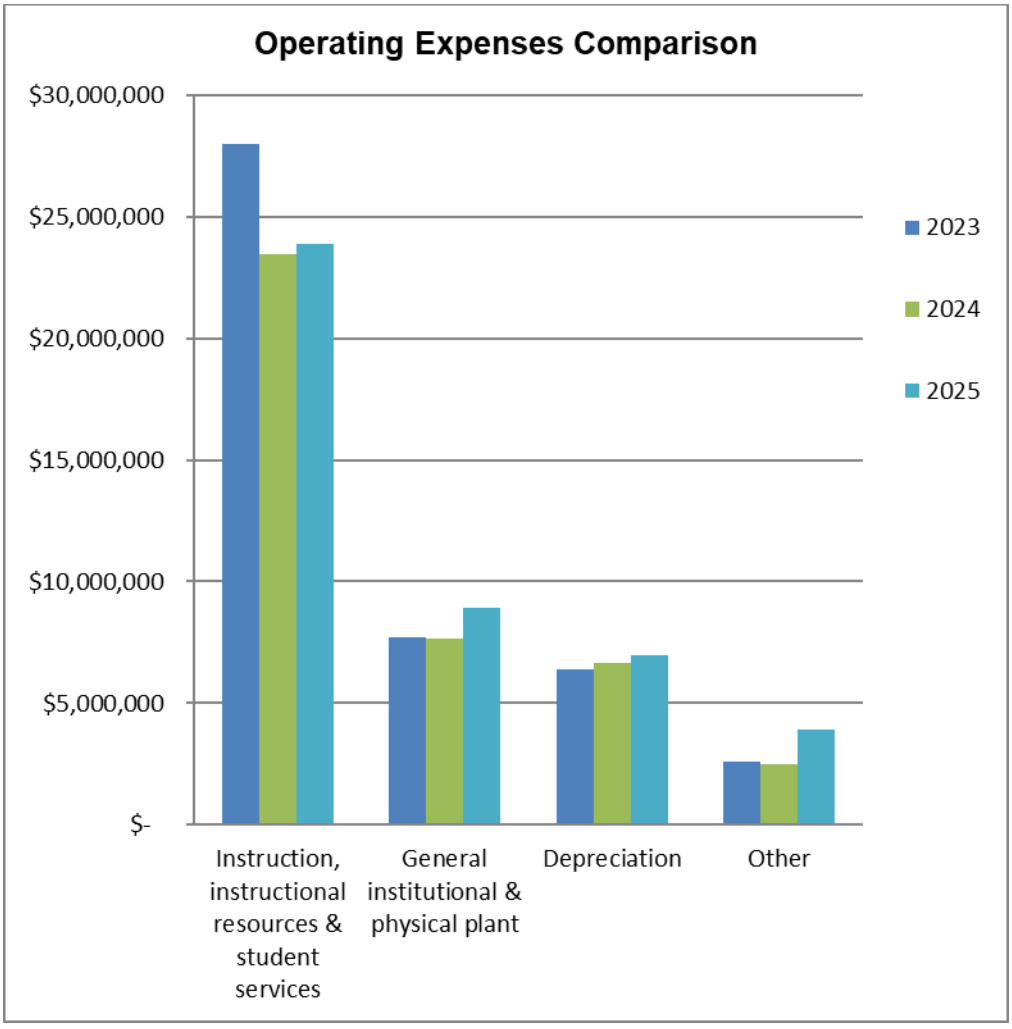
- Auxiliary enterprise services expenses increased $443,000 or 58% in 2025 due to an increase in spend related to the college's strategic investment in rebranding and the domain name change. These expenses decreased $184,000 or 19% in 2024 due to a decrease in WILM activity.

- Student aid increased by $958,000 or 55% in 2025 and increased by $80,000 or 5% in 2024 due to an increase in Pell awards.

The following is a graphical illustration of operating expenses by function for the fiscal year ended June 30, 2025.



The graph below shows the comparison of operating expenses for the last three fiscal years.



Non-operating expenses are expense items not directly related to providing instruction. Non-operating expenses increased $4.0 million or 481% in 2025 due to the write-down of ERP implementation costs. Non-operating expenses increased $44,000 or 6% in 2024. Interest expense of $944,000, $838,000, and $794,000 was recognized for 2025, 2024 and 2023, respectively.

Statement of Cash Flows

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

The following schedule summarizes the major components of the Statement of Cash Flows:

			Increase/(Decrease)		
	2025	2024	$	%	2023
Cash flows from operating activities	$ (24,705,718)	$ (21,760,574)	$ (2,945,144)	-13.5%	$ (27,972,980)
Cash flows from non-capital financing activities	32,919,039	32,825,409	93,630	0.3%	35,901,117
Cash flows from capital & related financing activities	(8,837,717)	(12,595,848)	3,758,131	29.8%	(5,964,667)
Cash flows from investing activities	1,338,210	2,196,382	(858,172)	-39.1%	877,955
Net increase in cash & cash equivalents	$ 713,814	$ 665,369	$ 48,445	7.3%	$ 2,841,425

- **Cash flows from operating activities** decreased $2.9 million or 14% in 2025, compared to an increase of $6.2 million or 22% in 2024, due to the following:
  - ✓ Payments to employees of $25.1 million in 2025, $25.8 million in 2024, and $26.9 million in 2023 made up the largest portion of the cash flows from operating activities.
  - ✓ Payments to suppliers for 2025 increased $3.4 million or 45%, compared to a decrease of $5.0 million or 40% in 2024. The fluctuation year over year is due to grant spend.
  - ✓ Tuition and fees received from students for services were approximately $4.9 million in 2025, $4.0 million in 2024, and $4.3 million in 2023.
  - ✓ Federal and state grants received decreased $1.2 million or 28% in 2025 compared to an increase of $903,000 or 26% in 2024.
  - ✓ Business, industry, and school district contract revenues received decreased $110,000 or 6% for 2025 and decreased $321,000 or 15% in 2024.
- **Cash flows from non-capital financing activities** consist primarily of property taxes, state appropriations received, and other federal financial assistance and increased $94,000 or 0.3% in 2025 and decreased $3.1 million or 9% in 2024 due to a decrease in COVID-related federal funding.
- **Cash flows from capital and related financing activities** are primarily purchases of capital assets and capital related debt activity (debt proceeds and principal and interest payments). For 2025 there were cash outflows of $8.8 million, and for 2024 and 2023 there were cash outflows of $12.6 million and $6.0 million, respectively.
  - ✓ Debt proceeds were $5.3 million in 2025 and $7.3 million and $4.3 million in 2024 and 2023, respectively. Principal payments on capital debt were $6.6 million in 2025 and were $6.2 million in both 2024 and 2023.
  - ✓ Purchases of capital assets for 2025 amounted to $7.8 million, compared to $13.2 million in 2024 and $6.3 million in 2023. Expenditures for 2025 include Dental Hygiene lab remodel ($935,000), elevator and staircase replacements ($1.1 million), Atrium remodel ($314,000); buildings, general remodeling and infrastructure improvements ($939,000), Driving Skills Course improvements ($232,000); general site work ($228,000) (ERP implementation costs ($276,000) and equipment purchases ($2.7 million). Expenditures for 2024 include Center for Healthcare Excellence addition and remodel ($5.1 million), elevator and staircase replacements ($282,000), general remodeling and infrastructure improvements ($427,000), ERP implementation costs ($3.9 million) and equipment purchases ($3.7 million).

The District had a net increase in total cash & investments of approximately $714,000 for 2025 compared to a net increase of $665,000 for 2024 and a net increase of $2.8 million in 2023.

Statement of Net Position

The Statement of Net Position presents information on all the College's assets, liabilities, and its deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as an indicator of whether the financial position is improving or deteriorating.

Following are highlights of the components of the Statement of Net Position:

			Increase/(Decrease)		
	2025	2024	$	%	2023
Assets					
Cash and investments	$ 33,214,726	$ 32,500,912	$ 713,814	2.2%	$ 32,541,036
Receivables	12,004,864	11,175,828	829,036	7.4%	11,751,654
Net capital assets	40,483,180	43,539,401	(3,056,221)	-7.0%	36,064,692
Other	2,636,639	2,654,074	(17,435)	-0.7%	3,966,543
Total assets	88,339,409	89,870,215	(1,530,806)	-1.7%	84,323,925
Deferred Outflows of Resources	9,812,380	14,889,985	(5,077,605)	-34.1%	22,335,240
Liabilities					
Current liabilities	11,207,630	11,578,430	(370,800)	-3.2%	11,245,640
Non-current liabilities	34,486,939	35,556,194	(1,069,255)	-3.0%	38,105,640
Total liabilities	45,694,569	47,134,624	(1,440,055)	-3.1%	49,351,280
Deferred Inflows of Resources	8,586,692	12,493,603	(3,906,911)	-31.3%	16,687,103
Net Position					
Net investment in capital assets	15,964,314	18,319,591	(2,355,277)	-12.9%	15,885,161
Restricted for pension asset	0	0	0	n/a	0
Restricted for capital projects	0	0	0	n/a	2,400,000
Restricted for debt service	1,988,353	1,797,233	191,120	10.6%	1,445,484
Unrestricted	25,917,861	25,015,149	902,712	3.6%	20,890,137
Total net position	$ 43,870,528	$ 45,131,973	$ (1,261,445)	-2.8%	$ 40,620,782

Total assets decreased $1.5 million or 2% in 2025 and increased $5.5 million or 7% in 2024.

- Capital assets are the largest component of the College's assets. For 2025, net capital assets decreased $3.1 million or 7%, compared to an increase of $7.5 million or 21% in 2024. The decrease in 2025 is due to the write down of ERP implementation costs. In 2024, the College completed the Center for Healthcare Excellence addition and remodel project and incurred costs related to an ERP implementation.

- Receivables include property taxes, student accounts, leases, and federal and state aids. Property tax receivable amounted to $3.3 million in 2025, $3.0 million in 2024 and $3.0 million in 2023. Payment on the balance of property tax receivable is typically received by the end of August for that year. Student accounts receivable (net of bad debt reserve) increased during 2025 by approximately $616,000, or 20%, and increased by $341,000, or 13%, in 2024. Federal and state aid receivable increased $218,000, or 22% for 2025 due to timing of state grant claims, and decreased by $645,000, or 39%, in 2024 largely due to changes in the HEERF assistance receivable (see *Impact of the Spread of COVID-19* on page 27 for additional information). Lease receivable decreased by $253,000, or 6%, in 2025 and decreased by $244,000, or 6%, in 2024.

- Cash and investments increased $714,000, or 2%, in 2025 and decreased $40,000, or 0.1%, in 2024. The timing and amount of borrowings and expenditures for capital projects has a big impact on the change in cash and investment balances each year.

- Deferred outflows related to pensions were $8.5 million for 2025, $13.1 million for 2024 and $21.1 million for 2023. Deferred outflows related to OPEB were $1.3 million for 2025 compared to $1.8 million for 2024 and $1.2 million for 2023.

- Current liabilities include accounts payable, payroll and related liabilities, unearned revenue, the current portion of other postemployment benefits, the current portion of the lease and subscription liabilities and the current portion of long-term debt.

  - ✓ The current portion of general obligation notes payable makes up the largest portion of current liabilities and increased $185,000 or 4% in 2025 and increased $275,000 or 6% in 2024.

  - ✓ Unearned student fees increased $484,000 or 27% in 2025. This compares to a decrease of $123,000, or 6%, in 2024. Other unearned revenue amounted to $11,000 for 2025 and was $14,000 in 2024 and $11,000 in 2023.

  - ✓ Accounts payable decreased $689,000 or 46% in 2025 and increased $266,000 or 22% in 2024. The fluctuation in both years is due to the timing of capital expenditures.

  - ✓ Accrued payroll decreased $60,000 or 16% in 2025 and decreased $109,000 or 22% in 2024. Accrued payroll will fluctuate based on changes in wages and teacher hours for summer school and the timing of payments for spring term instruction.

- Non-current liabilities of $34.5 million for 2025, $35.6 million for 2024, and $38.1 million for 2023 consist mainly of the long-term debt due after the next fiscal year.

  - ✓ The College issued $5.3 million, $7.3 million and $4.3 million in general obligation debt in 2025, 2024 and 2023, respectively, to finance equipment, general remodeling, additions and site improvements as laid out in its master facility plan. Payments on this debt were $5.3 million in 2025 and $5.1 million in 2024 and $5.2 million in 2023.

  - ✓ The college recognized a lease liability of $2.3 million for 2025 which was a decrease of $516,000 or 18% from 2024 and a lease liability of $2.8 million in 2024 which was a decrease of $514,000 or 15% from 2023. Payments on the total lease liability were $514,000 for 2025 and $567,000 for 2024.

  - ✓ Long-term liabilities also include a net pension liability of $1.6 million for 2025, $1.6 million for 2024 and $5.8 million for 2023, an OPEB liability of $1.5 million for 2025, $2.0 million for 2024 and $1.6 million for 2023 and a subscription liability in the amount of $314,000 for 2025 and $239,000 and $481,000 for 2024 and 2023, respectively.

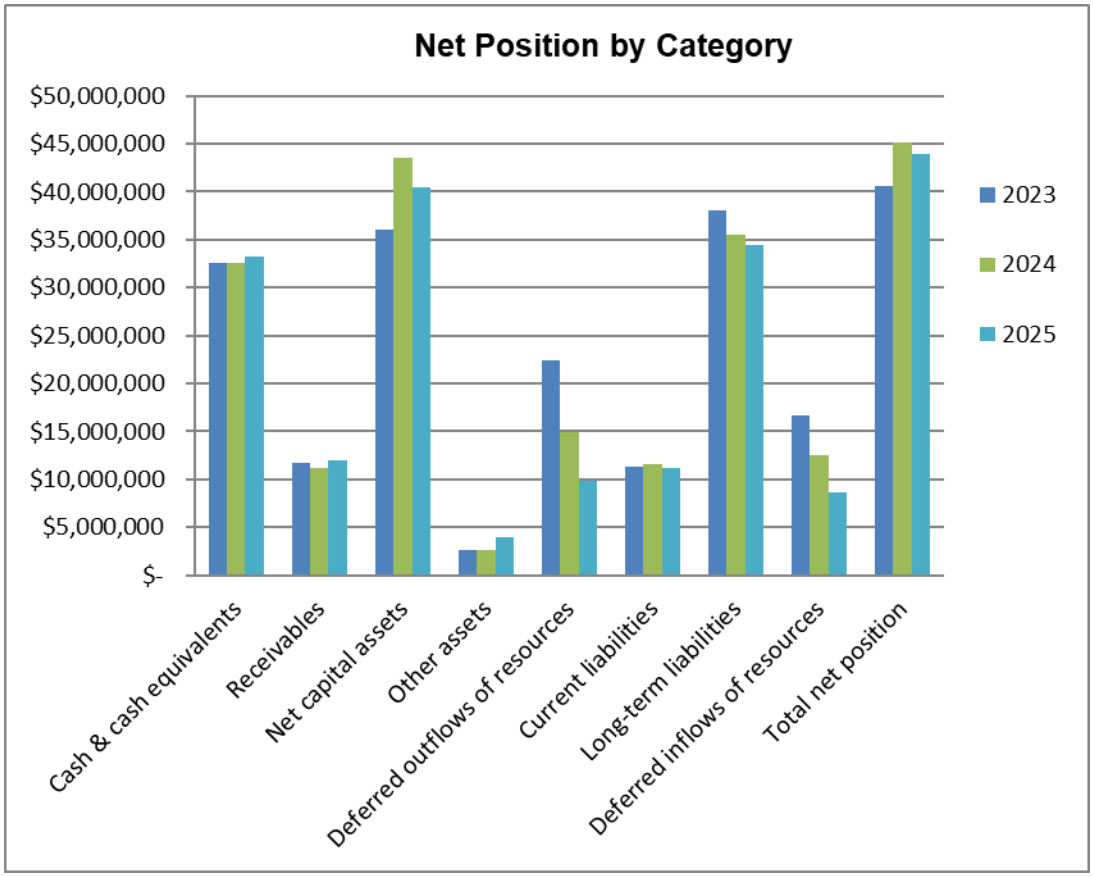
- Deferred inflows related to pensions were $4.6 million for 2025, $8.3 million for 2024 and $12.2 million for 2023. Deferred inflows related to OPEB were $137,000 for 2025, $57,000 for 2024 and $71,000 for 2023. Deferred inflows related to leases were $3.9 million for 2025, $4.1 million for 2024 and $4.4 million for 2023.

- In 2025, net position decreased $1.3 million or 3% and during 2024 net position increased $4.5 million or 11%.

  - ✓ Net investment in capital assets decreased $2.4 million or 13% in 2025. This compares to an increase of $2.4 million or 15% in 2024. Unexpended debt proceeds were $13.1 million in 2025 and $12.9 million in 2024. Purchase orders outstanding to be financed from unexpended debt proceeds amount to $55,000 in 2025 and $122,000 in 2024.

- ✓ Net position restricted for debt service increased $191,000 or 11% in 2025 and increased $352,000 or 24% in 2024.

The following graph shows a comparison of the College's statement of net position by the major category for the last three fiscal years.



Capital Assets and Debt Administration

The District's investment in capital assets, net of depreciation and amortization, as of June 30, 2025 was $40,483,000 and as of June 30, 2024 was $43,539,000. This investment includes land, land improvements, buildings, building improvements, lease assets (right to use), subscription assets (right-to-use) and fixed and moveable equipment. In order to better meet today's educational needs, the College is continually replacing and updating assets when their useful lives have expired in order to keep current with technology and to have well-maintained facilities. Additional information about the College's capital assets can be found in Note 3 of the Notes to Financial Statements.

As of June 30, 2025, the District had total general obligation debt outstanding of $32,900,000, compared to $32,855,000 at the end of 2024 and $30,635,000 at the end of 2023. The College's notes are assigned Moody's Investor Service Aa1 rating, and the College continues to meet all its debt service requirements, including timely repayment of its debt. All debt issuances for equipment, building and land improvements are repaid in seven to ten years. Additional information about the District's debt can be found in Note 4 of the Notes to Financial Statements.

Financial Position

The District saw a decrease of $1.3 million in its net position during the year ended June 30, 2025. Cash and investments as of June 30, 2025 remained strong at $33.2 million compared to $32.5 million as of June 30, 2024 and $32.5 million as of June 30, 2023. Total liabilities were $45.7 million in 2025, $47.1 million in 2024, and $49.3 million in 2023.

The District has diversified sources of revenues consisting of property taxes, state aid, student fees, federal and state grants, and other sources to meet the expenses of the College. With a diversity of revenues, a stable tax base, and a strong net position, The District will continue to have the resources to adequately finance normal enrollment in the future.

Economic Factors

Impact of the Spread of COVID-19

The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") provided for federal payments from the Higher Education Emergency Relief Fund to higher education institutions to defray the institutions' expenses, including lost revenue and payroll for employees and to make emergency financial aid grants to students for expenses related to the disruption of campus operations due to the COVID-19 pandemic. The District received an allocation of $977,816 from the Higher Education Emergency Relief Fund (HEERF) in the CARES Act. Half of this amount, $488,908, was available to the District and the other half was required to be used to provide emergency aid to students enrolled. The District also received $49,014 from CARES Title III SIP funding. In addition, on June 17, 2021, Governor Evers announced allocations to higher education institutions in the State from the Governor's Emergency Education Relief Fund ("GEER Fund") established under the CARES Act. The District received an allocation from the GEER Fund of $195,739, which could be used to reimburse necessary, unbudgeted expenses made in response to COVID-19. On December 27, 2020, former President Trump signed the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA or the "Supplemental Appropriations Act"), which included an additional $22.7 billion to be allocated to higher education to address costs related to the COVID-19 pandemic. The District's allocation under the Supplemental Appropriations Act was $2,597,047, including an institutional allocation of $2,108,139 and a student aid component of $488,908. The District also received $108,478 from CRRSAA Title III SIP funding. On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 ("ARPA"). The District's allocation under ARPA is $4,514,255, including an institutional allocation of $2,208,989 and a student aid component of $2,305,266. The District also received $196,962 from ARPA Title III SIP funding.

Other Economic Factors

Although the District has a strong financial position, there are some financial factors that do have the potential to negatively affect the College:

- The College is aware that we are entering a time where enrollments will decline due to fewer K-12 students, competition from businesses as workers become harder to replace, and other demographic changes. The college continues to strive to grow enrollments and has implemented strategic initiatives to improve retention and grow enrollments. The College saw an increase in enrollment of 2.4% in 2025 and enrollment decreases of 5.3% and 6.6% in 2024 and 2023, respectively, based on full-time equivalents.

- The College continues to feel the impact of legislation the limits its ability to levy taxes and receive state aids. Changing funding levels, state aid amounts that will never increase and unfunded mandates of the state and federal government continue to make it challenging for the college to balance its budget.

- While the legislation enacted in fiscal 2022 and 2015 that shifted a large portion of the College's funding from local tax levy to state aid included a mechanism to restore the levy if state funding

was ever reduced, the College is aware of the negative impact a subsequent levy increase could have.

- In order to reduce the impact of recognizing and funding the other post-employment benefits liability, the College modified its benefit package for new hires. This change to the benefit package could result in increased competition for new hires.

Even with these challenges in mind, the District is confident that its long-term financial planning will allow it to effectively meet the financial needs of future operations. The District's current financial position is positive, and it is positioned to maintain this positive status into the future.

- As employers continually change technology and processes to remain competitive, the College responds with new programs and customized training options that are essential in preparing the local workforce.

- The College's main campus includes state-of-art facilities for all instructional divisions.

- The College is striving to be the #1 school of choice for graduating high school seniors, serving as a cost-effective choice for more students as the cost of higher education rises and student debt levels increase. During 2019, the College launched its College Here and Now program, a college/career pathway that makes it possible for Sheboygan Area school district students to have the ability to earn their Lakeshore associates degree at the same time they receive their high school diploma. Since then, the College Here and Now program has expanded to additional K-12 school districts.

- The recent relocations of Lakeshore Manitowoc, Lakeshore Sheboygan and the culinary and agriculture programs allow for the placement of services in areas that are easier for students to access. In addition, the moves allow for right-sizing of facilities, upgrades to interiors and equipment, and long-term cost savings.

- In staying true to its mission and values, the College continues to focus on student success through increased access to services and education, coordinated services, and continued efforts to implement strategies to improve retention and transition.

- Lakeshore has a beautiful campus that is located centrally within its district. The College is well respected in the community for its educational offering. As a result, it is attractive as an educational resource for people looking for training.

Contacting the District's Financial Management

The financial report is designed to provide a general overview of the District's finances. Questions concerning the information provided in this report or requests for additional information should be addressed to Lakeshore College, Chief Financial Officer, 1290 North Avenue, Cleveland, WI 53015.

LAKESHORE TECHNICAL COLLEGE DISTRICT

STATEMENTS OF NET POSITION
June 30, 2025 and 2024

	2025		2024	
	District	Foundation	District	Foundation
Assets				
Current Assets				
Cash & investments	$18,458,471	$874,982	$17,060,190	$632,698
Property taxes receivable	3,267,262	0	3,020,039	0
Accounts receivable, net of allowance of $300,000	3,638,936	0	3,022,574	0
State aid receivable	1,023,717	0	505,060	0
Federal aid receivable	203,602	0	504,172	0
Lease receivable	262,074	0	252,633	0
Unconditional promises to give	0	234,830	0	347,869
Inventories	33,612	0	42,501	3,365
Prepaid expenses and other assets	2,603,027	0	2,611,573	5,928
Total current assets	29,490,701	1,109,812	27,018,742	989,860
Non-current Assets				
Restricted cash & investments	14,756,255	0	15,440,722	0
Lease receivable	3,609,273	0	3,871,350	0
Unconditional promises to give	0	60,933	0	96,920
Investments	0	4,102,528	0	3,701,241
Land	50,000	0	50,000	0
Construction in progress	1,647,514	0	4,195,904	0
Other capital assets, net of depreciation and amortizatio	38,785,666	0	39,293,497	0
Total non-current assets	58,848,708	4,163,461	62,851,473	3,798,161
Total Assets	88,339,409	5,273,273	89,870,215	4,788,021
Deferred Outflows of Resources				
Deferred outflows related to OPEB	1,349,675	0	1,820,233	0
Deferred outflows related to pension	8,462,705	0	13,069,752	0
Total Deferred Outflows	9,812,380	0	14,889,985	0
Liabilities				
Current liabilities				
Accounts payable	811,313	10,564	1,500,548	10,629
Accrued payroll	316,155	0	375,823	0
Payroll related liabilities	951,426	0	980,122	0
Accrued interest	209,700	0	233,133	0
Unearned student fees	2,298,313	0	1,814,477	0
Other unearned revenue	11,269	0	13,529	0
Current portion of long term liabilities				
General obligation notes payable	5,440,000	0	5,255,000	0
Lease liability - right to use	515,119	0	513,780	0
SBITA liability - right to use	293,335	0	390,018	0
Other postemployment benefits liability	361,000	0	502,000	0
Total current liabilities	11,207,630	10,564	11,578,430	10,629
Non-current liabilities				
Other postemployment benefits liability	1,483,643	0	1,988,187	0
Net pension liability	1,568,578	0	1,554,760	0
Long-term debt	0	0	0	67,808
Lease liability - right to use	2,308,882	0	2,824,451	0
SBITA liability - right to use	313,995	0	238,767	0
General obligation notes payable	28,811,841	0	28,950,029	0
Total non-current liabilities	34,486,939	0	35,556,194	67,808
Total Liabilities	45,694,569	10,564	47,134,624	78,437
Deferred Inflows of Resources				
Deferred inflows related to leases	3,871,347	0	4,123,983	0
Deferred inflows related to OPEB	137,314	0	56,773	0
Deferred inflows related to pension	4,578,031	0	8,312,847	0
Total Deferred Inflows	8,586,692	0	12,493,603	0
Net Position				
Net investment in capital assets	15,964,314	0	18,319,591	0
Restricted for:				
Nonexpendable:				
Endowment	0	1,120,503	0	1,100,063
Expendable:				
Debt service	1,988,353	0	1,797,233	0
Support of student scholarships	0	2,687,434	0	2,192,386
College program support	0	367,571	0	483,697
Unrestricted	25,917,861	1,087,201	25,015,149	933,438
Total Net Position	$43,870,528	$5,262,709	$45,131,973	$4,709,584

The accompanying notes are an integral part of these financial statements.

LAKESHORE TECHNICAL COLLEGE DISTRICT

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Years Ended June 30, 2025 and 2024

	2025		2024	
	District	Foundation	District	Foundation
Operating Revenues				
Student program fees, net of scholarship allowances of $568,086 and $839,574	$4,199,446	$0	$3,728,825	$0
Student material fees, net of scholarship allowances of $35,828 and $51,278	264,321	0	228,425	0
Other student fees, net of scholarship allowances of $55,490 and $85,752	405,740	0	380,142	0
Federal grants	1,608,620	0	1,750,941	0
State grants	1,409,695	0	1,607,550	0
Business and industry contract revenue	1,842,597	0	1,846,374	0
School district contract revenue	0	0	9,294	0
Auxilliary enterprise revenues	783,683	0	790,170	0
Miscellaneous	824,415	0	636,344	0
Total operating revenues	11,338,517	0	10,978,065	0
Operating Expenses				
Instruction	17,934,126	0	17,001,299	0
Instructional resources	1,200,866	0	1,247,611	0
Student services	4,776,250	0	5,221,277	0
General institutional	6,793,481	217,034	5,491,082	210,065
Physical plant	2,129,378	0	2,157,978	0
Auxiliary enterprise services	1,205,811	0	762,722	0
Depreciation and amortization - unallocated	6,977,523	0	6,651,088	0
Student aid	2,710,282	0	1,751,786	0
College and student support	0	790,764	0	473,903
Total operating expenses	43,727,717	1,007,798	40,284,843	683,968
Operating loss	(32,389,200)	(1,007,798)	(29,306,778)	(683,968)
Non-operating Revenues (Expenses)				
Property taxes	13,356,732	0	13,076,196	0
State operating appropriations	16,299,184	0	16,003,579	0
Other federal financial assistance	3,510,346	0	3,717,116	0
Contributions	0	1,161,150	0	970,341
Gain (loss) on disposal of capital assets	(3,838,848)	0	121,212	0
Interest income, net of fees	1,423,409	102,076	1,391,531	87,503
Realized and unrealized gain (loss) on investments	(85,199)	297,697	99,358	314,489
Interest expense	(943,526)	0	(838,027)	0
Total non-operating revenues (expenses)	29,722,098	1,560,923	33,570,965	1,372,333
Change in net position before capital contributions	(2,667,102)	553,125	4,264,187	688,365
Contributions	133,085	0	0	0
State capital grant contributions	1,119,299	0	98,729	0
Federal capital grant contributions	153,273	0	148,275	0
Change in net position	(1,261,445)	553,125	4,511,191	688,365
Net position - beginning of the year	45,131,973	4,709,584	40,620,782	4,021,219
Net position - end of the year	$43,870,528	$5,262,709	$45,131,973	$4,709,584

The accompanying notes are an integral part of these financial statements.

LAKESHORE TECHNICAL COLLEGE DISTRICT

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Tuition and fees received	$4,908,285	$4,002,561
Federal and state grants received	3,103,639	4,320,445
Business, industry & school district contract revenues received	1,723,222	1,833,827
Payments to employees	(25,137,967)	(25,756,014)
Payments to suppliers	(10,856,805)	(7,482,733)
Auxiliary enterprise revenues received	736,151	780,324
Other receipts	817,757	541,016
Net cash used for operating activities	(24,705,718)	(21,760,574)
Cash flows from noncapital financing activities:		
Local property taxes received	13,109,509	13,104,714
State appropriations received	16,299,184	16,003,579
Federal financial assistance	3,510,346	3,717,116
Net cash provided by noncapital financing activities	32,919,039	32,825,409
Cash flows from capital and related financing activities:		
State and federal appropriations received for capital assets	969,161	(69,876)
Contributions received for capital assets	133,085	0
Purchase of capital assets	(7,764,665)	(13,160,715)
Proceeds from sale of capital assets	82,380	175,158
Proceeds from issuance of capital debt	5,300,000	7,300,000
Premium on debt issued	238,503	438,330
Principal paid on capital debt	(5,255,000)	(5,080,000)
Principal paid on lease liability	(513,686)	(566,508)
Principal paid on SBITA liability	(811,008)	(526,779)
Interest paid on capital debt	(1,149,289)	(1,033,425)
Interest paid on lease liability	(46,352)	(56,019)
Interest paid on SBITA liability	(20,846)	(16,014)
Net cash used for capital and related financing activities	(8,837,717)	(12,595,848)
Cash flows from investing activities		
Investment income received	1,338,210	1,490,889
Purchase of long-term investments	0	0
Proceeds from sale and maturities of long-term investments	0	705,493
Net cash used provided by investing activities	1,338,210	2,196,382
Net increase in cash and cash equivalents	713,814	665,369
Cash and cash equivalents at beginning of year	32,500,912	31,835,543
Cash and cash equivalents at end of year	$33,214,726	$32,500,912
Reconciliation of cash and cash equivalents to the statements of net position:		
Cash and investments in current assets	$18,458,471	$17,060,190
Cash and investments in restricted assets	14,756,255	15,440,722
Less: Long-term investments	-	-
Cash and cash equivalents at end of year	$33,214,726	$32,500,912

(continued on following page)

LAKESHORE TECHNICAL COLLEGE DISTRICT

STATEMENTS OF CASH FLOWS (continued)
For the Years Ended June 30, 2025 and 2024

	2025	2024
Reconciliation of operating loss to net cash used for operating activities		
Operating loss	($32,389,200)	($29,306,778)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation/ amortization	6,977,523	6,651,088
Changes in assets, deferred outflows, liabilities and deferred inflows:		
Decrease (increase):		
Accounts receivable	(616,363)	(341,286)
Federal, state aid, and tax levy receivable	85,324	961,954
Inventories	8,889	5,058
Prepaid expenses	8,546	1,307,411
Increase (decrease):		
Accounts payable	34,745	(382,248)
Accrued payroll	(56,921)	(109,318)
Payroll related liabilities	(31,441)	32,812
Unearned student fees and other unearned revenue	481,576	(120,560)
OPEB liability	(645,544)	331,015
OPEB related deferred outflows	470,558	(577,707)
OPEB related deferred inflows	80,541	(14,194)
Pension related asset/liability	13,818	(4,284,997)
Pension related deferred outflows	4,607,047	8,022,962
Pension related deferred inflows	(3,734,816)	(3,935,786)
Net cash used for operating activities	($24,705,718)	($21,760,574)
Schedule of non-cash investing and financing activities:		
Unrealized gain on long-term investments	$0	$0
Purchase of capital assets in accounts payable	$522,160	$1,246,140
Increase in lease and subscription liabilities - right to use	$912,803	$370,974

The accompanying notes are an integral part of these financial statements.

LAKESHORE TECHNICAL COLLEGE DISTRICT

STATEMENT OF FIDUCIARY NET POSITION
June 30, 2025 and 2024

	Custodial Funds	
	2025	2024
Assets		
Current Assets		
Cash & investments	$183,499	$166,585
Total current assets	183,499	166,585
Liabilities		
Current liabilities		
Accounts payable	2,368	8,250
Total current liabilities	2,368	8,250
Net Position		
Restricted for student organizations	181,131	158,335
Total Net Position	$181,131	$158,335

The accompanying notes are an integral part of these financial statements.

LAKESHORE TECHNICAL COLLEGE DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION-FIDUCIARY FUND
For the Year Ended June 30, 2025 and 2024

	Custodial Funds	
	2025	2024
Additions		
Contributions	$153,588	$137,265
Interest Income	1,415	2,805
Total addtions	155,003	140,070
Deductions		
Wages and benefits	5,386	4,867
Travel, memberships, and subscriptions	35,949	41,584
Supplies, printing, and minor equipment	15,290	22,988
Contracts and services	74,851	88,468
Other	731	650
Total deductions	132,207	158,557
Change in net position	22,796	(18,487)
Net position - beginning of the year	158,335	176,822
Net position - end of the year	$181,131	$158,335

The accompanying notes are an integral part of these financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lakeshore Technical College District (District, Lakeshore College, Lakeshore, or College) is organized under state legislation enacted in 1911 establishing vocational, technical and adult education. Lakeshore College was legally organized on July 1, 1967, under the provisions of Chapter 292, Laws of Wisconsin 1965. Upon the time of reorganization on July 1, 1967, the major schools in Manitowoc, Sheboygan and Two Rivers were merged into the Lakeshore District. The original boundaries of the District were composed of Manitowoc County less the portion of Chilton, Brillion, and Denmark school districts that lie in Manitowoc County; Sheboygan County less the portion of the New Holstein school district that lies in Sheboygan County; plus the portion of the Cato school district that lies in Calumet County; and on July 1, 1970, the Cedar Grove and Random Lake school districts in Ozaukee County were attached to the District.

Lakeshore is one of 16 districts in the Wisconsin Technical College System (WTCS). The governance of the College is shared between the Lakeshore College Board of Trustees (District Board or Board) and the Wisconsin Technical College System Board (WTCSB).

The District Board consists of nine members, of whom two are employers; two are employees, one district school administrator, one elected official, and three additional members. By state statute, the county board chairpersons of the respective counties within the district appoint District board members. The Board powers are established under the provisions of Chapter 38 of the Wisconsin Statutes and include:

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

The accounting policies of the District conform to generally accepted accounting principles as applicable to public colleges and universities as well as those prescribed by the WTCSB.

A. REPORTING ENTITY

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

Lakeshore College Foundation, Inc. (Foundation) is a separate and independent, not-for-profit corporation whose purpose is to solicit, hold, manage, invest and expend endowment funds and other gifts, grants, and bequests for the maintenance and benefit of Lakeshore and its students. The Foundation is managed by an independent board of directors and is not fiscally accountable to the College. The financial resources of the Foundation are significant to the College as a whole and accordingly, the Foundation is reported as a discreetly presented component unit in the College's basic financial statements.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. REPORTING ENTITY (continued)

The District has a fiduciary responsibility in establishing broad policies and ensuring that appropriate financial records are maintained for the Wisconsin Technical College System's Career and Technical Student Organization (CTSO) which includes financial activity for Business Professionals of America, SkillsUSA, and Professional Agricultural Student (PAS) organizations, along with some administrative activities. Accordingly, the Career and Technical Student Organization's accounts are excluded from the District's activities and are reported as fiduciary activities in these financial statements.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

For financial reporting purposes, the District is considered a special purpose government engaged only in business-type activities. Accordingly, the District's basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the years for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All significant inter-district transactions have been eliminated.

Fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Since fiduciary fund assets are being held for the benefit of a third party and cannot be used for activities or obligations of the District, these funds are excluded from the District-wide statements. The District has custodial funds held for the Career and Technical Student Organizations (CTSO) group in fiscal year 2025 and 2024.

C. ACCOUNTING ESTIMATES

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

D. CASH AND INVESTMENTS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. PROPERTY TAX LEVY AND TAXES RECEIVABLE

The District's property taxes are levied on or before October 31 on the equalized valuation as of the prior January 1. Property taxes are recognized as revenue in the year they are levied. Under Wisconsin law, personal property taxes and certain installment real estate taxes are collected by city, village, and town treasurers or clerks who then make settlements with other taxing units, such as the county, the technical college districts and local schools. Settlements are due from the municipality by the 15th of the month following the due date based upon the municipality's payment plan. Certain installment real estate taxes and delinquent taxes are collected by the county treasurers who then make settlement with the city, village, and town treasurers and other taxing units before retaining any for county purposes. In practice, delinquent real estate taxes are withheld from the counties share. The first settlement is due January 15, and the last settlement is due August 15.

The District receives the majority of its property tax levy from municipalities by June 30 of the fiscal year for which the property taxes were levied. However, a portion of property tax revenue is received after year-end because the final installments of real estate taxes and delinquent taxes can be paid by taxpayers after June 30. The county treasurers, acting as collection agents for the District, are required by law to settle all tax amounts due to the District on or before August 20, the final tax settlement date, following the District's year end. Such settlement represents 100% of the tax levy and the counties assume responsibility for any delinquent property real estate taxes.

The following dates are pertinent to the District's tax calendar:

Levy date	October 31, or within 10 days of receipt of equalized valuation, whichever is later
Tax bills mailed	Month of December
Lien date	Month of December
Payments:	
Taxes paid in one installment	January 31
Taxes paid in two installments	
First installment due	January 31
Second installment due	July 31

State legislation restricts increases to operating levies to the amount of district-wide valuation changes due to net new construction in the previous calendar year. Net new construction can be a positive number even when overall district values decline. For the taxes levied and collected in 2025, the increase in operating levy allowed due to net new construction for the District was 1.1683%. For the taxes levied and collected in 2024 the allowed increase was 1.4390%. In addition, levies can be increased for operations by any amount subject to district-wide referendum approval. There is no legislative restriction for the amount levied for debt service. During the fiscal years ended June 30, 2025 and 2024, the District levied and collected taxes as follows:

	2025			2024		
	Mill Rate	Levy Amount	% Change in Levy	Mill Rate	Levy Amount	% Change in Levy
Operating levy	$0.29524	$ 7,225,008	3.11%	$0.31151	$ 7,006,827	3.42%
Debt service levy	0.24926	6,100,000	3.39%	0.26230	5,900,000	0.00%
Total property tax levy	$0.54450	$ 13,325,008	3.24%	$0.57381	$ 12,906,827	1.83%

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. RECEIVABLES

Student receivables, covering tuition and fees, textbooks, and other receivables for services provided, are valued at net of the estimated uncollectible amounts. The lease receivable represents the present value of lease payments anticipated to be received during the lease term and there are no adjustments for uncollectible amounts.

G. INVENTORIES

Inventories include items held for resale and are valued at the lower of cost or market with cost determined on the first in, first out basis. The cost of inventory items is recorded as an expense at the time of consumption.

H. PREPAID EXPENSES

Prepaid expenses represent payments made by the District for which benefits extend beyond the end of the current fiscal year end and are expensed in the periods benefitted.

I. CAPITAL ASSETS

Capital assets include land, buildings, and equipment. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated acquisition value on the date donated. The costs of maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operations as incurred. Equipment assets having a cost of $5,000 or more per unit and building and remodeling projects of $15,000 or more are capitalized. Depreciation on buildings and equipment is provided in amounts sufficient to align the cost of the depreciable assets to operations on the straight-line basis over the estimated service lives, which range from five to twenty years for equipment and remodeling and fifty years for buildings. Intangible right-to-use assets are amortized on a straight-line basis over the remaining life of the asset.

J. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

K. COMPENSATED ABSENCES

The liability for compensated absences reported in the basic financial statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

District employees are granted vacation in varying amounts, based on length of service. Vacation pay and related social security taxes are accrued when earned. District employees are allowed to accumulate only the amount of vacation they earn in a year. In the event of retirement, resignation or termination, payout of vacation earned is limited to the annual vacation earnings and only paid if the proper notification period is

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. COMPENSATED ABSENCES (continued)

given (14 calendar days for nonexempt and 28 calendar days for exempt employees). The District's accrued vacation liability as of June 30, 2025 was $411,000 compared with $353,000 as of June 30, 2024.

The District employees' unused portion of sick leave is allowed to accumulate to a maximum of 110 days for instructors and 120 days for management and support staff but is lost upon retirement, resignation, or termination. Accumulated sick leave balances are not more than likely to be used for time off, therefore, accumulated unpaid amounts are not accrued.

L. PENSION AND POST-EMPLOYMENT BENEFITS

Pension. 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,
- 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. 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.

Other Postemployment Benefits Other Than Pensions. Qualifying faculty and administrative staff are provided with other postemployment benefits. The OPEB is a single employer defined benefit plan administered by the District. For purposes of measuring the OPEB liability, related deferred outflows and inflows and OPEB expense, the District has used values provided by their actuary as the OPEB plan does not prepare separate financial statements. Benefit payments are recognized when due and payable in accordance with the benefit terms.

M. LEASE AND SUBSCRIPTION ASSET LIABILITY – RIGHT TO USE

The lease and subscription asset liabilities represent the District's financial obligation for the remaining payments required by leases and subscription-based information technology agreements, discounted to present value.

N. RISK MANAGEMENT

District Mutual Insurance Company (DMI)
The sixteen Wisconsin Technical College System (WTCS) colleges created Districts Mutual Insurance Company (DMI). DMI is a fully-assessable mutual company authorized under Wisconsin Statute 611 to provide property, casualty, and liability insurance and risk management services to its members. The scope of insurance protection provided by DMI is broad, covering property at $500,000,000 per occurrence; general liability, auto, educators' legal liability, and incidental medical malpractice (students in practicum)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. RISK MANAGEMENT (continued)

at $5,000,000 per occurrence, cyber risk at $3,000,000 aggregate, equipment breakdown at $100,000,000 aggregate, and workers' compensation at the statutorily required limits.

At this time, settled claims have not approached the coverage limits as identified above. The District's exposure in its layer of insurance is limited to $5,000 to $100,000 per occurrence depending on the type of coverage and DMI purchases reinsurance for losses in excess of its retained layer of coverage.

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

Each member college was originally assessed an annual premium that included a contribution component to establish reserves for the company. Current premiums are based on relevant rating exposure bases as well as the historical loss experience by members. DMI's ongoing operational expenses, other than loss adjustment expenses, are apportioned pro rata to each participant based on equity interest in the company.

For the years ended June 30, 2025 and 2024, the District paid insurance premiums of $277,098 and $266,907 respectively, to DMI.

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

Supplemental Insurance
The Wisconsin Technical College Insurance Trust (Trust) is an organization formed under Section 66.0301 of the Wisconsin Statutes and governed by a board of trustees consisting of trustees/employees from each college. The purpose of this Trust is to make available to the 16 districts a collaborative group insurance program. The benefits include savings in insurance premium costs and broader coverage.

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

Crime/employee dishonesty: $750,000 limit with $10,000 deductible Employee Theft, Forgery or Alteration, Inside the Premises – Theft of Money and Securities, Inside the Premises – Robbery or Safe Burglary of other Property, Outside the Premises, Computer Fraud, Funds Transfer Fraud, Money Orders and Counterfeit Money and Credit, Debit or Charge Card Forgery. $100,000 limit with $25,000 deductible for Impersonation Fraud.

Business travel accident: Coverage for local board of director members. $2,500,000 aggregate, $250,000 associated principal sum (coverage) for hazard.

The District paid supplemental insurance premiums of $2,481 and $2,474 for the years ended June 30, 2025 and 2024.

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

Wisconsin Technical College Employee Benefits Consortium (WTCEBC)
As of July 1, 2016, the District joined together with other WTCS colleges in the State to form the Wisconsin Technical College Employee Benefits Consortium (WTCEBC). WTCEBC is a public entity risk pool that the

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. RISK MANAGEMENT (continued)

District participates in to provide health insurance coverage to its employees. The main purpose of WTCEBC is to jointly self-insure certain risks up to an agreed upon retention limit and to obtain excess catastrophic coverage and aggregate stop-loss reinsurance over the selected retention limit. The District pays WTCEBC a monthly premium based on the number of participants and the type of coverage that has been elected. Individual claims below $100,000 are self-funded by the District. Any individual claim exceeding $100,000 but less than $250,000 is shared in a pooled layer among all the colleges participating in the consortium. Individual claims exceeding $250,000 and aggregate claims exceeding $1,000,000 are subject to reinsurance.

As of June 30, 2025 and 2024, the District had a net asset in the amount of $2,557,629 and $2,561,141, respectively, with the consortium. The net asset is reported in the prepaid and other assets line in the Statement of Net Position.

The WTCEBC audited financial statements can be obtained through Western Technical College, 400 7th Street North, La Crosse, WI, 54601.

O. FEES AND TUITION

Fees and tuition are recorded as revenue in the period in which the related activity or instruction takes place. Revenues for the summer semester are prorated based on weeks occurring before and after June 30.

P. STATE AND FEDERAL REVENUE

The District receives state aid and funding from various federal and state contracts and grants. These revenues are earned as expenditures are incurred. Such expenditures may be incurred during the grantor's fiscal period, which may be different from that of the District's fiscal period and are subject to the Federal Single Audit Act and State Single Audit Guidelines.

Q. UNEARNED REVENUES

Unearned revenues include amounts received or invoiced for tuition and fees and other fees prior to the end of the fiscal year but related to the subsequent accounting period.

R. SCHOLARSHIP ALLOWANCE AND STUDENT AID

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

S. CLASSIFICATION OF REVENUES AND EXPENSES

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

Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship allowances, (2) sales and services of auxiliary enterprises, and (3) some federal, state and local grants and contracts.

Non-operating revenues: Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources that are defined as non-operating revenues by GASB No. 9, “Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Government Entities That Use Proprietary Fund Accounting” and GASB No. 34, such as state appropriations, federal Pell grants, the local property tax levy and investment income.

Operating expenses: Operating expenses includes those expenses that are characteristic of exchange transactions, such as (1) functional expenses (instruction, instructional resources, student services, etc.), (2) depreciation, and (3) student aid, which is the excess of expenses over scholarship allowances. These expenses are incurred in the general operations of the College.

Non-operating expenses: Non-operating expenses include interest expense incurred on long-term debt and loss on sale of capital assets.

T. NET POSITION

Net position is classified according to restrictions on the availability of assets for satisfaction of District obligations.

Net investment in capital assets: Amount of capital assets, net of accumulated depreciation/amortization, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.

Restricted net position: Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

Unrestricted net position: Net position that is neither classified as restricted nor as net investment in capital assets. These resources are used for transactions relating to the educational and general operations of the District and may be used at the discretion of the governing board to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty, and staff.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the District’s policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

NOTE 2 – CASH AND INVESTMENTS

Invested cash consists of deposits and investments that are restricted by the District Board investment policy that permits investments allowed within the Wisconsin Statute 66.0603 to the following:

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

The carrying amount of the District's cash and investments consisted of the following at June 30:

	2025	2024
Cash on hand	$ 1,346	$ 1,346
Deposits with financial institutions	234,850	576,176
Investments		
Commercial paper	0	184,661
Wisconsin local government investment pool	16,013,541	15,615,892
Certificates of deposit	350,000	189,130
Money market funds	8,497,255	15,359,568
U.S. treasury and agency securities	8,302,505	740,725
Total cash and investments	$33,399,497	$32,667,497

The Statements of Net Position classify cash and investments at June 30 as follows:

	2025	2024
Cash and investments	$ 18,459,743	$ 17,060,190
Restricted cash and investments	14,756,255	15,440,722
Fiduciary Funds	183,499	166,585
Total cash and investments	$33,399,497	$32,667,497

Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs.

NOTE 2 – CASH AND INVESTMENTS (continued)

The District had the following fair value measurements as of June 30, 2025:

		Fair Value Measurement Using:		
	Total	Level 1	Level 2	Level 3
Investments by fair value level				
Certificates of deposit	$350,000	$0	$350,000	$0
U.S. treasury and agency securities	8,302,505	0	8,302,505	0
Total investments by fair value levels	$8,652,505	$0	$8,652,505	$0

The District had the following fair value measurements as of June 30, 2024:

		Fair Value Measurement Using:		
	Total	Level 1	Level 2	Level 3
Investments by fair value level				
Certificates of deposit	$189,130	$0	$189,130	$0
U.S. treasury and agency securities	740,725	0	740,725	0
Commercial paper	184,661	0	184,661	0
Total investments by fair value levels	$1,114,516	$0	$1,114,516	$0

Certificates of deposit classified in Level 2 of the fair value hierarchy were valued using market prices for similar assets in active markets. Municipal bonds, U.S. agency securities and commercial paper classified in Level 2 were valued using price of comparable securities and other observable inputs.

Investment in Wisconsin Local Government Investment Pool

The District has investments in the Wisconsin Local Government Investment Pool (LGIP) of $16,013,541 for 2025 and $15,615,892 for 2024. The LGIP is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. SIF pool shares are bought and redeemed at $1 based on amortized cost of the investments in the SIF. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. The SIF report the fair value of its underlying assets annually. At June 30, 2025 and 2024, the fair value of the District's share of the LGIP's assets was substantially equal to the carrying value.

Deposit and Investment Risk

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

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

NOTE 2 – CASH AND INVESTMENTS (continued)

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

As of June 30, 2025 and 2024, the District had $0 and $48, respectively, exposed to custodial credit risk.

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. Following is the actual rating as of year-end for each investment type. U.S. Treasury investments represent the portion of U.S. agency securities that are exempt from disclosure.

	2025				
	Amount	Exempt from Disclosure	AAA	AA+	Not Rated
Certificates of deposit	$ 350,000	$ 0	$ 0	$ 0	$ 350,000
Money market funds	8,497,255	0	0	0	8,497,255
U.S. treasury and agency securities	8,302,505	0	8,302,505	0	0
Wisconsin local government investment pool	16,013,541	0	0	0	16,013,541
	$ 33,163,301	$ 0	$ 8,302,505	$ 0	$ 24,860,796

	2024				
	Amount	Exempt from Disclosure	AAA	AA+	Not Rated
Certificates of deposit	$ 189,130	$ 0	$ 0	$ 0	$ 189,130
Money market funds	15,359,568	0	0	0	15,359,568
U.S. treasury and agency securities	740,725	0	740,725	0	0
Wisconsin local government investment pool	15,615,892	0	0	0	15,615,892
Commerical paper	184,661	0	0	0	184,661
	$ 32,089,976	$ 0	$ 740,725	$ 0	$ 31,349,251

Concentration of Credit Risk: This represents the risk of loss attributed to the amount invested in any one issuer. The District's investment policy minimizes credit risk by limiting investments to the low risk investments where the main objective is safety or preservation of capital. The District did not hold investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represented 5% or more of total District investments as of June 30, 2025.

Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represents 5% or more of total District investments as of June 30, 2024 were none.

NOTE 2 – CASH AND INVESTMENTS (continued)

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

The District's investment policy applies to all transactions involving the financial assets and related activity of all of its funds. Excess funds are to be managed or invested according to the following objectives in order of priority:

(1) Safety of principal
(2) Maintenance of sufficient liquidity to meet immediate payment requirements including payroll, accounts payable and debt service
(3) Obtain the highest possible rate of return consistent with safety of principal and liquidity.

Investments allowed under the policy are the same as those permitted under Wisconsin Statute 66.0603. The District Board designates as district public depositories all banks and savings and loans and loan associations in the state, the Local Government Investment Fund, or the Wisconsin Investment Series Cooperative.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity as of June 30:

	2025				
		Investment Maturities (in months)			
	Fair Value	12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Certificates of deposit	$ 350,000	$ 350,000	$ 0	$ 0	$ 0
Money market funds	8,497,255	8,497,255	0	0	0
U.S. treasury and agency securities	8,302,505	8,302,505	0	0	0
Wisconsin local government investment pool	16,013,541	16,013,541	0	0	0
	$ 33,163,301	$ 33,163,301	$ 0	$ 0	$ 0

	2024				
		Investment Maturities (in months)			
	Fair Value	12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Certificates of deposit	$ 189,130	$ 189,130	$ 0	$ 0	$ 0
Money market funds	15,359,568	15,359,568	0	0	0
U.S. treasury and agency securities	740,725	740,725	0	0	0
Wisconsin local government investment pool	15,615,892	15,615,892	0	0	0
Commercial paper	184,661	184,661	0	0	0
	$ 32,089,976	$ 32,089,976	$ 0	$ 0	$ 0

The District had realized gain on investments of $1,050 for 2025 and realized gain of $0 for 2024. Unrealized loss on investments amounted to $85,199 in 2025 and unrealized gains were $99,358 for 2024. The calculation of realized gains and losses is independent of the calculation of the change in the fair value of investments. Realized gains and losses of the current period include unrealized amounts from the prior period.

NOTE 3 – CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2025:

	Balance 6/30/2024	Additions	Disposals	Balance 6/30/2025
Capital assets, not being depreciated or amortized				
Land	$50,000	$0	$0	$50,000
Construction in progress	4,195,904	1,647,514	(4,195,904)	1,647,514
Total cost of capital assets not being depreciated or amortized	4,245,904	1,647,514	(4,195,904)	1,697,514
Capital assets, being depreciated and amortized				
Site improvements	5,527,789	460,058	0	5,987,847
Buildings	26,054,826	8,200	0	26,063,026
Building improvements	32,612,238	2,361,872	(1,750)	34,972,360
Equipment	51,596,582	2,595,915	(257,748)	53,934,749
Lease assets (right to use) - Land	23,676	0	(2)	23,674
Lease assets (right to use) - Buildings/Space	4,664,193	0	(2,292)	4,661,901
Lease assets (right to use) - Equipment	443,364	0	(17)	443,347
Subscription assets (right to use)	1,766,460	1,176,090	(429,980)	2,512,570
Total cost of capital assets being depreciated and amortized	122,689,128	6,602,135	(691,789)	128,599,474
Less accumulated depreciation and amortization for:				
Site improvements	(3,634,948)	(201,717)	0	(3,836,665)
Buildings	(12,136,872)	(442,618)	0	(12,579,490)
Building improvements	(24,207,480)	(1,743,223)	1,750	(25,948,953)
Equipment	(40,644,966)	(3,358,557)	242,752	(43,760,771)
Lease assets (right to use) - Land	(23,676)	2	0	(23,674)
Lease assets (right to use) - Buildings/Space	(1,607,112)	(411,717)	0	(2,018,829)
Lease assets (right to use) - Equipment	(147,792)	(160,088)	0	(307,880)
Subscription assets (right to use)	(992,785)	(659,605)	314,844	(1,337,546)
Total accumulated depreciation and amortization	(83,395,631)	(6,977,523)	559,346	(89,813,808)
Total capital assets being depreciated and amortized, net	39,293,497	(375,388)	(132,443)	38,785,666
Total capital assets, net	43,539,401	$1,272,126	($4,328,347)	40,483,180
Less outstanding debt related to capital assets, net of unspent proceeds	23,869,781			23,167,025
Less debt premium	1,350,029			1,351,841
Net investment in capital assets	$18,319,591			$15,964,314

NOTE 3 – CAPITAL ASSETS (continued)

The following is a summary of changes in capital assets for the year ended June 30, 2024:

	Balance 6/30/2023	Additions	Disposals	Balance 6/30/2024
Capital assets, not being depreciated or amortized				
Land	$50,000	$0	$0	$50,000
Construction in progress	78,281	4,195,904	(78,281)	4,195,904
Total cost of capital assets not being depreciated or amortized	128,281	4,195,904	(78,281)	4,245,904
Capital assets, being depreciated and amortized				
Site improvements	5,290,964	236,825	0	5,527,789
Buildings	22,338,854	3,715,972	0	26,054,826
Building improvements	30,571,874	2,041,234	(870)	32,612,238
Equipment	48,717,717	3,697,116	(818,251)	51,596,582
Lease assets (right to use)	5,131,233	0	0	5,131,233
Subscription assets (right to use)	1,697,146	370,974	(301,660)	1,766,460
Total cost of capital assets being depreciated and amortized	113,747,788	10,062,121	(1,120,781)	122,689,128
Less accumulated depreciation and amortization for:				
Site improvements	(3,449,768)	(185,180)	0	(3,634,948)
Buildings	(11,690,618)	(446,254)	0	(12,136,872)
Building improvements	(22,458,194)	(1,750,156)	870	(24,207,480)
Equipment	(38,298,614)	(3,110,657)	764,305	(40,644,966)
Lease assets (right to use)	(1,230,640)	(547,940)	0	(1,778,580)
Subscription assets (right to use)	(683,544)	(610,901)	301,660	(992,785)
Total accumulated depreciation and amortization	(77,811,378)	(6,651,088)	1,066,835	(83,395,631)
Total capital assets being depreciated and amortized, net	35,936,410	3,411,033	(53,946)	39,293,497
Total capital assets, net	36,064,691	$7,606,937	($132,227)	43,539,401
Less outstanding debt related to capital assets, net of unspent proceeds	19,027,190			23,869,781
Less debt premium	1,152,340			1,350,029
Net investment in capital assets	$15,885,161			$18,319,591

NOTE 3 – CAPITAL ASSETS (continued)

The following is a summary of lease assets held as of the year ended June 30, 2025:

Lease Description	Role	Lease Type	Classification	Gross Asset Balance	Accumulated Amortization	Net Balance
LTC Manitowoc campus						
600 York St., Manitowoc, WI	Lessee	Right-to-Use	Building	$ 1,431,254	$ 783,933	$ 647,321
LTC Sheboygan campus						
1320 Niagra Ave, Sheboygan, WI	Lessee	Right-to-Use	Building	3,230,647	1,234,896	1,995,751
Building Total				4,661,901	2,018,829	2,643,072
School of Agriculture Ground Lease						
Gass Lake Rd, Newton, WI	Lessee	Right-to-Use	Land	23,674	23,674	0
Land Total				23,674	23,674	0
Miller Equipment						
Welding and plasma cutting equipment	Lessee	Right-to-Use	Equipment	443,347	307,880	135,467
Equipment Total				443,347	307,880	135,467
Total Lease Assets				$ 5,128,922	$ 2,350,383	$ 2,778,539

The following is a summary of lease assets held as of the year ended June 30, 2024:

Lease Description	Role	Lease Type	Classification	Gross Asset Balance	Accumulated Amortization	Net Balance
LTC Manitowoc campus						
600 York St., Manitowoc, WI	Lessee	Right-to-Use	Building	$ 1,432,566	$ 619,080	$ 813,486
LTC Sheboygan campus						
1320 Niagra Ave, Sheboygan, WI	Lessee	Right-to-Use	Building	3,231,627	988,032	2,243,595
Building Total				4,664,193	1,607,112	3,057,081
School of Agriculture Ground Lease						
Gass Lake Rd, Newton, WI	Lessee	Right-to-Use	Land	23,676	23,676	0
Land Total				23,676	23,676	0
Miller Equipment						
Welding and plasma cutting equipment	Lessee	Right-to-Use	Equipment	443,364	147,792	295,572
Equipment Total				443,364	147,792	295,572
Total Lease Assets				$ 5,131,233	$ 1,778,580	$ 3,352,653

NOTE 3 – CAPITAL ASSETS (continued)

The following is a summary of the subscription assets held as of the year ended June 30, 2025:

Subscription Description	Gross Asset Balance	Accumulated Amortization	Net Balance
Adobe Creative Cloud	$ 94,232	$ 60,626	$ 33,606
AwardSpring	20,488	15,366	5,122
Blackboard Learn F25	86,629	43,315	43,314
Blue	71,699	51,942	19,757
Brightly	50,521	28,067	22,454
EAB Navigate	538,027	329,759	208,268
FinQuery F25	10,920	5,225	5,695
Glean F25	11,340	2,454	8,886
Handshake	13,100	8,733	4,367
Hyperion F24	91,501	91,501	0
Integrated Techology F24	31,968	12,787	19,181
Maxient F25	16,865	2,342	14,523
Modern Campus	17,450	15,933	1,517
Palo Alto	330,965	264,772	66,193
Panopto F24	46,280	36,638	9,642
Percipio F25	13,815	4,605	9,210
Policy Tech F24	10,733	3,953	6,780
Proofpoint F24	27,102	22,585	4,517
Rapid7 F25	269,522	70,641	198,881
SPOL	59,278	51,908	7,370
SumTotal F21	81,021	75,202	5,819
TargetX F24	117,824	90,110	27,714
Touchnet F25	294,493	49,082	245,411
Total Subscription Assets	$ 2,305,773	$ 1,337,546	$ 968,227

The total subscription assets listed does not include SBITA's not yet implemented that total $206,797.

The following is a summary of the subscription assets held as of the year ended June 30, 2024:

Subscription Description	Gross Asset Balance	Accumulated Amortization	Net Balance
SumTotal	$ 77,816	$ 53,499	$ 24,317
Blue	45,406	40,361	5,045
AwardSpring	20,490	10,245	10,245
Brightly	50,522	16,841	33,681
Modern Campus	17,451	10,180	7,271
SPOL	59,278	38,283	20,995
Maxient	16,016	12,902	3,114
EAB Navigate	363,520	248,724	114,796
Palo Alto	330,980	198,589	132,391
Anthology Academy	144,013	28,803	115,210
Rapid7	269,994	213,745	56,249
Adobe Creative Cloud	32,285	9,865	22,420
Hyperion	91,509	45,754	45,755
Policy Tech	10,733	596	10,137
Handshake	13,269	1,106	12,163
Integrated Techology	31,968	6,393	25,575
Panopto F24	46,280	13,498	32,782
Proofpoint	27,102	9,034	18,068
TargetX F24	117,828	34,367	83,461
Total Subscription Assets	$ 1,766,460	$ 992,785	$ 773,675

NOTE 4 – LONG TERM OBLIGATIONS

Long-term liabilities of the District consist of general obligation promissory notes, unamortized premium on debt issuance, compensated absences, lease liability, and subscription liability. The District does not have an open line of credit and has no direct borrowings or direct placements of debt.

The changes in long-term liabilities for the year ended June 30, 2025 are as follows:

Description	6/30/2024 Balance	Additions	Reductions	6/30/2025 Balance	Due within one year
General obligation debt	$32,855,000	$5,300,000	$5,255,000	$32,900,000	$5,440,000
Premium on general obligation debt	1,350,029	238,503	236,691	1,351,841	0
Compensated absences	353,146	57,631	0	410,777	410,777
Lease liability - right to use	3,338,231	0	514,230	2,824,001	515,119
Subscription liability - right to use	628,785	912,803	934,258	607,330	293,335
Total	$38,525,191	$6,508,937	$6,940,179	$38,093,949	$6,659,231

*The change in compensated absences is presented as a net change.

Interest paid on long-term liabilities totaled $1,129,887 for the year ended June 30, 2025.

The changes in long-term liabilities for the year ended June 30, 2024 are as follows:

Description	6/30/2023 Balance	Additions	Reductions	6/30/2024 Balance	Due within one year
General obligation debt	$30,635,000	$7,300,000	$5,080,000	$32,855,000	$5,255,000
Premium on general obligation debt	1,152,340	438,330	240,641	1,350,029	0
Compensated absences	344,917	8,229	0	353,146	353,146
Lease liability - right to use	3,904,739	0	566,508	3,338,231	513,780
Subscription liability - right to use	784,590	370,974	526,779	628,785	390,018
Total	$36,821,586	$8,117,533	$6,413,928	$38,525,191	$6,511,944

*The change in compensated absences is presented as a net change.

Interest paid on long-term liabilities totaled $977,032 for the year ended June 30, 2024.

NOTE 4 – LONG TERM OBLIGATIONS (continued)

General obligation debt consisted of the following as of June 30, 2025 and 2024:

	2025	2024
2016 $5,000,000 promissory notes issued July 2015 at an average rate of 2.69% to finance addition, remodeling, equipment and site improvements. Semi-annual interest payments are made March 1 and September 1; principal payments are due March 1 until maturity in 2025. The notes are payable to Depository Trust Company.	0	665,000
2016 $1,500,000 promissory notes issued April 2016 at an average rate of 2.0% to finance remodeling. Semi-annual interest payments are made March 1 and September 1; principal payments are due March 1 until maturity in 2026. The notes are payable to Depository Trust Company.	200,000	395,000
2017 $6,300,000 promissory notes issued June 2017 at an average rate of 2.0% to finance additions remodeling, equipment and site improvements. Semi-annual interest payments are made March 1 and September 1; principal payments are due March 1 until maturity in 2027. The notes are payable to Depository Trust Company.	1,675,000	2,475,000
2018 $4,000,000 promissory notes issued June 2018 at an average rate of 3.0% to finance remodeling, equipment and site improvements. Semi-annual interest payments are made March 1 and September 1; principal payments are due March 1 until maturity in 2028. The notes are payable to Depository Trust Company.	1,610,000	2,110,000
2019 $3,300,000 promissory notes issued June 2019 at an average rate of 3.25% to finance remodeling, equipment and site improvements. Semi-annual interest payments are made March 1 and September 1; principal payments are due March 1 until maturity in 2029. The notes are payable to Depository Trust Company.	1,850,000	2,270,000
2020 $1,800,000 promissory notes issued November 2019 at an average rate of 3.00% to finance remodeling and equipment. Semi-annual interest payments are made March 1 and September 1; principal payments are due March 1 until maturity in 2029. The notes are payable to Depository Trust Company.	900,000	1,110,000
2020 $3,800,000 promissory notes issued June 2020 at an average rate of 2.47% to finance remodeling, equipment and site improvements. Semi-annual interest payments are made March 1 and September 1; principal payments are due March 1 until maturity in 2030. The notes are payable to Depository Trust Company.	2,180,000	2,580,000

NOTE 4 – LONG TERM OBLIGATIONS (continued)

	2025	2024
2021 $900,000 promissory notes issued November 2020 at an average rate of 2.11% to finance remodeling and equipment. Semi-annual interest payments are made March 1 and September 1; principal payments are due March 1 until maturity in 2030. The notes are payable to Depository Trust Company.	500,000	600,000
2021 $5,300,000 promissory notes issued June 2021 at an average rate of 3 % to finance addition, remodeling, site, and equipment. Semi-annual interest payments are made March 1 and September 1; principal payments are due March 1 until maturity in 2031. The bonds are payable to Depository Trust Company.	3,540,000	4,145,000
2022 $500,000 promissory notes issued September 2021 at an average rate of 2.5 % to finance remodeling. Semi-annual interest payments are made March 1 and September 1; principal payments are due March 1 until maturity in 2031. The bonds are payable to Depository Trust Company.	500,000	500,000
2022 $5,100,000 promissory notes issued June 2022 at an average rate of 3% to finance remodeling, site, and equipment. Semi-annual interest payments are made March 1 and September 1; principal payments are due March 1 until maturity in 2032. The bonds are payable to Depository Trust Company.	4,585,000	4,870,000
2023 $4,300,000 promissory notes issued June 2023 at an average rate of 4% to finance addition, site, and equipment. Semi-annual interest payments are made March 1 and September 1; principal payments are due March 1 until maturity in 2033. The bonds are payable to Depository Trust Company.	3,565,000	3,935,000
2024 $1,500,000 promissory notes issued November 2023 at an average rate of 4% to finance remodel. Semi-annual interest payments are made March 1 and September 1; principal payments are due March 1 until maturity in 2033. The bonds are payable to Depository Trust Company.	1,275,000	1,400,000
2024 $5,800,000 promissory notes issued June 2024 at an average rate of 4.53% to finance remodel, site, and equipment. Semi-annual interest payments are made March 1 and September 1; principal payments are due March 1 until maturity in 2034. The bonds are payable to Depository Trust Company.	5,220,000	5,800,000
2025 $5,300,000 promissory notes issued June 2025 at an average rate of 4.46% to finance addition, remodel, and equipment. Semi-annual interest payments are made March 1 and September 1; principal payments are due March 1 until maturity in 2035. The bonds are payable to Depository Trust Company.	5,300,000	0
Total	$32,900,000	$32,855,000

NOTE 4 – LONG TERM OBLIGATIONS (continued)

Aggregate maturities and interest on general obligation debt is as follows:

Fiscal Year	Principal	Interest	Total
2025-26	5,440,000	1,140,994	6,580,994
2026-27	5,045,000	1,015,450	6,060,450
2027-28	4,610,000	841,900	5,451,900
2028-29	4,230,000	683,100	4,913,100
2029-30	3,865,000	535,050	4,400,050
Thereafter	9,710,000	917,700	10,627,700
Total	$ 32,900,000	$ 5,134,194	$ 38,034,194

All general obligation debt is backed by the full faith and credit of the District. None of the District's assets are pledged as collateral. Bonds and notes payable will be retired by future property tax levies.

Chapter 67.03(1) of the Wisconsin State Statutes limits general obligation debt of the District to 5 percent of the equalized value of the taxable property in the district. This limit was $1,270,724,744 as of June 30, 2025 and the District's outstanding general obligation debt (net of $1,717,003 available to pay principal and interest) was $31,182,997. For June 30, 2024, this limit was $1,167,115,882 and the District's outstanding general obligation debt (net of $1,595,391 available to pay principal and interest) was $31,259,609. Chapter 67.03(9) Wisconsin State Statutes limits bonded indebtedness of the District to 2 percent of the equalized value of taxable property in the district. This limit was $508,289,898 as of June 30, 2025, and the District had no outstanding bonds. For June 30, 2024, this limit was $466,846,353 and the District had no outstanding bonds.

Lease liability consisted of the following as of June 30, 2025 and 2024:

Lease Description	Classification	Lease Term	2025	2024
LTC Manitowoc campus 600 York St., Manitowoc, WI	Building	6/1/2019 - 5/31/2024 with option to renew for additional 5 years	$ 555,886	$ 689,669
LTC Sheboygan campus 1320 Niagra Ave, Sheboygan, WI	Building	8/6/2019 - 7/30/2026 with option to renew for additional 7 years	2,128,762	2,361,458
Greenhouse 1213 North Ave., Cleveland, WI	Building	12/1/2021 - 5/31/2023; no option to renew	0	0
School of Agriculture Ground Lease Gass Lake Rd, Newton, WI	Land	9/25/2019 - 6/30/2067; $8,000 per for four years, $1 per year after that through the year ending 6/30/2067.	0	0
Miller Equipment Welding equipment	Equipment	6/1/2023 - 5/31/2026 with option to renew for additional one year.	139,353	287,104
			$ 2,824,001	$ 3,338,231

The District used the incremental borrowing rate as the interest rate for the right-to-use asset agreements since an interest rate was not provided in the lease agreements.

NOTE 4 – LONG TERM OBLIGATIONS (continued)

Aggregate maturities and interest on the lease liability is as follows:

Fiscal Year	Liability Reduction	Interest Expense	Payment
2025-26	$ 515,119	$ 36,776	$ 551,895
2026-27	385,786	29,438	415,224
2027-28	395,938	24,113	420,051
2028-29	393,954	18,520	412,474
2029-30	266,260	13,965	280,225
Thereafter	866,944	19,214	886,157
Total	$ 2,824,001	$ 142,026	$ 2,966,026

Subscription liability consisted of the following as of June 30, 2025 and 2024:

Subscription Description	Subscription Term	2025	2024
Adobe Creative Cloud	7/27/23 - 7/26/26	$ 31,416	$0
Anthology Academy	7/1/22 - 6/30/32	0	127,210
AwardSpring	7/1/22 - 6/30/26	5,669	11,520
Blackboard Learn	7/1/22 - 6/30/24	0	0
Blue	11/17/21 - 11/16/26	13,470	0
Brightly	1/1/23 - 6/30/27	23,457	35,219
Chatbot	9/1/20 - 8/31/23	0	0
EAB Navigate	5/1/22 - 6/30/27	214,331	139,811
Handshake	7/1/21 - 6/30/23	0	0
Handshake	7/1/23 - 6/30/27	4,368	8,846
Hyperion	7/1/23 - 6/30/25	0	46,436
Integrated Technology	7/1/23 - 6/30/28	19,383	26,019
Maxient	2/1/25 - 1/31/28	11,065	0
Modern Campus	10/5/22 - 10/4/25	0	5,953
Palo Alto	7/1/21 - 6/30/26	66,832	134,318
Percipio	7/1/24 - 6/30/27	9,064	0
Policy Tech	6/1/24-5/31/27	3,756	7,259
Skillsoft	7/1/21 - 6/30/24	0	0
SPOL	12/31/20 - 12/30/25	0	14,949
SumTotal	10/07/21 - 10/6/25	0	12,160
Target X	12/21/23 - 12/20/25	0	59,085
Touchnet	7/1/24 - 6/30/30	204,519	0
		$ 607,330	$628,785

The District used the incremental borrowing rate as the interest rate for the right-to-use asset agreements when an interest rate was not provided in the subscription agreements.

NOTE 4 – LONG TERM OBLIGATIONS (continued)

Aggregate maturities and interest on the subscription liability is as follows:

Fiscal Year	Liability Reduction	Interest Expense	Payment
2025-26	$ 293,335	$ 17,521	$ 310,856
2026-27	175,527	10,018	185,545
2027-28	47,507	4,427	51,934
2028-29	43,838	2,924	46,762
2029-30	47,123	1,511	48,634
Total	$ 607,330	$ 36,401	$ 643,731

NOTE 5 – PENSION

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

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements.

Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

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

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

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

NOTE 5 – PENSION (continued)

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

The WRS also provides death and disability benefits for employees.

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
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
2023	1.6	(21.0)
2024	3.6	15.0

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

The District's contributions to the pension plan were $1,246,061 and $1,263,361 for the years ended June 30, 2025 and 2024, respectively.

Contribution rates as of June 30, 2025 and 2024 are:

	2025		2024	
Employee Category	Employee	Employer	Employee	Employer
General (including teachers, executives & elected officials)	6.90%	6.90%	6.80%	6.80%
Protective with Social Security	6.90%	14.30%	6.80%	13.20%
Protective without Social Security	6.90%	19.10%	6.80%	18.10%

NOTE 5 – PENSION (continued)

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

At June 30, 2025 and 2024, the District reported a net pension liability of $1,568,578 and $1,554,760, respectively, for its proportionate share of the WRS net pension liability (asset). The 2025 WRS net pension liability (asset) was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2023, rolled forward to December 31, 2024. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The 2024 WRS net pension liability (asset) was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2023, rolled forward to December 31, 2024. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability (asset) was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2024, the District's proportion was 0.09546075%, which was a decrease of 0.00910973% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized pension expense of $2,131,785 and for the year ended June 30, 2024 the District recognized pension expense of $1,065,256.

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$4,871,293	$4,577,487
Net differences between projected and actual earnings on pension plan investments	2,383,539	0
Changes in assumptions	465,427	0
Changes in proportion and differences between employer contributions and proportionate share of contributions	114,147	544
Employer contributions subsequent to the measurement date	628,300	0
Total	$8,462,706	$4,578,031

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 expected and actual experience	$6,268,776	$8,303,034
Net differences between projected and actual earnings on pension plan investments	5,418,088	0
Changes in assumptions	677,675	0
Changes in proportion and differences between employer contributions and proportionate share of contributions	62,353	9,813
Employer contributions subsequent to the measurement date	642,860	0
Total	$13,069,752	$8,312,847

NOTE 5 – PENSION (continued)

$628,300 reported as deferred outflows related to pension at June 30, 2025, resulting from the College's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense (revenue) as follows:

Year ended June 30:	Revenue
2026	$992,531
2027	3,284,546
2028	(781,499)
2029	(239,204)
	$3,256,374

Actuarial assumptions. The total pension liability at December 31, 2024 was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date	December 31, 2023
Measurement Date of Net Pension Liability (Asset)	December 31, 2024
Experience Study:	January 1, 2021-December 31, 2023 Published November 19,2024
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% - 5.7%
Mortality	2020 WRS Experience Mortality Table
Post-retirement Adjustments*	1.7%

* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate. Includes the impact of known Market Recognition Account deferred gains/losses on the liability for dividend payments.

Actuarial assumptions are based upon an experience study conducted in 2024 that covered a three-year period from January 1, 2021 to December 31, 2023. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including seniority (merit) and separation rates. The Total Pension Liability for December 31, 2024 is based upon a roll-forward of the liability calculated from the December 31, 2023 actuarial valuation.

NOTE 5 – PENSION (continued)

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

Asset Allocation Targets and Expected Returns[1]

As of December 31, 2024

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %[2]
Public Equity	38%	7.0%	4.3%
Public Fixed Income	27	6.1	3.4
Private Equity/ Debt	20	9.5	6.7
Inflation Sensitive	19	4.8	2.1
Real Estate	8	6.5	3.8
Leverage	-12	3.7	1.1
Total Core Fund[3]	100%	7.5%	4.8%
Variable Fund Asset Class			
U.S. Equities	70	6.5	3.8
International Equities	30	7.4	4.7
Total Variable Fund	100%	6.9	4.2

[1]Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations.
[2]New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.7%.
[3]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 12% policy leverage is used, subject to an allowable range of up to 20%.

NOTE 5 – PENSION (continued)

Asset Allocation Targets and Expected Returns[1]

As of December 31, 2023

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %[2]
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
Total Core Fund[3]	(12)	3.7	1.0
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

[1]Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations.
[2]New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%.
[3]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. The discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.08% (Source: "20-Bond GO Index" is the Bond Buyer Index, general obligation, 20 years to maturity, mixed quality as of December 31, 2024. In describing this index, the Bond Buyer notes that the bonds' average quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard and Poor's Corp.'s AA.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 5 – PENSION (continued)

Sensitivity of the District's proportionate share of the Net Pension Liability (Asset) to changes in the discount rate. The following presents the District's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80% as of June 30, 2025 and 2024, 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 (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

June 30, 2025	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase To Discount Rate (7.8%)
District's proportionate share of the net pension liability (asset)	$14,715,310	$1,568,578	($7,771,798)

June 30, 2024	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase To Discount Rate (7.8%)
District's proportionate share of the net pension liability (asset)	$15,027,508	$1,554,760	($7,872,691)

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

Payables to Pension Plan

The District reported a payable to the pension plan as of June 30, 2025 and 2024 in the amount of $208,000 and $229,000, respectively, for its share and the employees' share of the June 2025 and 2024 legally required contributions to the plan. This amount is included in payroll related liabilities on the Statements of Net Position.

NOTE 6 – OTHER POSTRETIREMENT BENEFITS

Plan Description The Plan is a single-employer defined benefit postemployment benefit plan that covers retired employees of the District. Management and support employees hired prior to July 1, 2013 and faculty employees hired prior to July 1, 2014, who are enrolled in the District's plans effective on the date of retirement and met the age and service requirements shown below on or before June 30, 2024, were eligible for postretirement benefits. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Age and service requirements are as follows:

Age	Minimum Years of Service
61+	10
60	15
59	20
58	25
57	30

Benefits Provided The District provides health, dental and life insurance benefits to eligible full-time employees and their spouses through the District's group plans from retirement until Medicare eligibility. The medical plan provides comprehensive major medical benefits and prescription drug benefits. In event of the retiree's death, spousal coverage ceases.

Employees Covered by Benefit Terms At June 30, 2023, the most recent actuarial valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	35
Active employees	153
	188

Contributions Contribution requirements are based on District policy. Benefits are paid by the District, up to the maximum amount it pays for active employees. As of June 30, 2025, the District paid 80% of the health premium, 86% of the dental premium and 100% of the life insurance premium. Some retired participants have higher college premium payment rates based on their retirement date.

Total OPEB Liability

The District's total OPEB liability at June 30, 2025 was measured as of June 30, 2024, and was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024.

NOTE 6 – OTHER POSTRETIREMENT BENEFITS (continued)

Actuarial Assumptions The total OPEB liability in the June 30, 2023 actuarial valuation, rolled forward to June 30, 2024, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method:	Entry Age Normal (level percent of salary)
Discount rate:	4.21%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1%-5.6%
Health care cost trend rates:	7.0% for 2024 decreasing to 6.5%, then decreasing by 0.1% per year down to 4.5%, then level thereafter.
Dental cost trend rates:	level at 4.5%
Mortality:	2020 WRS Experience Tables for Active Employees and Health Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010.

Actuarial assumptions for June 30, 2024 and June 30, 2023 valuations are based upon an experience study conducted in 2021 using the Wisconsin Retirement System (WRS) experience from 2018 - 2020.

Discount Rate. A discount rate of 4.21% and 4.13% was used to measure the total OPEB liability at June 30, 2024 and 2023, respectively. The 2024 discount rate and 2023 discount rate are based upon the S&P Municipal Bond 20 Year High Grade Index as of the week of the measurement date. Implicit in the discount rate for 2024 and 2023 is an assumed rate of inflation of 2.5%.

All other assumptions and methods remained unchanged from the valuation performed as of June 30, 2023 which was used to determine the OPEB liability at June 30, 2023 and rolled forward to June 30, 2024.

Changes in Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2023	$2,490,187
Changes for the year:	
Service cost	6,088
Interest	90,003
Changes of benefit terms	0
Differences between expected and actual experience	(110,944)
Changes of assumptions or other input	(2,739)
Benefit payments	(627,952)
Net changes	(645,544)
Balance at June 30, 2024	$1,844,643

NOTE 6 – OTHER POSTRETIREMENT BENEFITS (continued)

	Total OPEB Liability
Balance at June 30, 2022	$2,159,172
Changes for the year:	
Service cost	26,742
Interest	73,874
Changes of benefit terms	(13,623)
Differences between expected and actual experience	889,148
Changes of assumptions or other input	6,237
Benefit payments	(651,363)
Net changes	331,015
Balance at June 30, 2023	$2,490,187

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.21% or 3.13%) or 1-percentage-point higher (5.21% or 5.13%) than the current rate:

June 30, 2024	1% Decrease to Discount Rate (3.21%)	Current Discount Rate (4.21%)	1% Increase to Discount Rate (5.21%)
Total OPEB liability	$1,880,004	$1,844,643	$1,810,525

June 30, 2023	1% Decrease to Discount Rate (3.13%)	Current Discount Rate (4.13%)	1% Increase to Discount Rate (5.13%)
Total OPEB liability	$2,544,320	$2,490,187	$2,438,170

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.5% decreasing to 4.0% or 6.0% decreasing to 3.5%) or 1-percentage-point higher (7.0% decreasing to 4.5% or 8.0% decreasing to 5.5%) than the current healthcare cost trend rates:

June 30, 2024	1% Decrease (6.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% decreasing to 4.5%)	1% Increase (8.0% decreasing to 5.5%)
Total OPEB liability	$1,800,408	$1,844,643	$1,890,451

NOTE 6 – OTHER POSTRETIREMENT BENEFITS (continued)

June 30, 2023	1% Decrease (6.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% decreasing to 4.5%)	1% Increase (8.0% decreasing to 5.5%)
Total OPEB liability	$2,448,107	$2,490,187	$2,533,677

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

For the years ended June 30, 2025 and 2024, the District recognized collective OPEB expense of ($94,445) and $367,066, respectively.

At June 30, 2025, 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	$850,973	$92,453
Changes in assumptions	47,041	44,861
District contributions subsequent to the measurement date	451,661	0
Total	$1,349,675	$137,314

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	$1,127,081	$0
Changes in assumptions	65,200	56,773
District contributions subsequent to the measurement date	627,952	0
Total	$1,820,233	$56,773

$451,661 reported as deferred outflows of resources related to OPEB at June 30, 2025 resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2025, to be reported for the fiscal year ended June 30, 2026. Other amounts reported in deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	Expense
2025	$261,125
2026	261,120
2026	127,116
2028	130,282
2029	(18,943)
Thereafter	0
	$760,700

NOTE 7 – LEASES

Lease – Lessor

The District is the lessor of excess capacity on its educational broadband services channels under a non-cancellable lease expiring in 2027, renewable for one additional ten-year term. Minimum future rental payments to be received under the lease at June 30, 2025 for each of the next five years and in five-year increments thereafter are as follows:

Year ending June 30,	Total Payments	Principal	Interest
2026	271,452	262,074	9,378
2027	280,548	271,836	8,712
2028	289,968	281,948	8,020
2029	299,724	292,421	7,303
2030	309,816	303,255	6,561
2031-2035	1,713,228	1,692,578	20,650
2036-2037	769,272	767,235	2,037
Total	$ 3,934,008	$ 3,871,347	$ 62,661

The excess capacity of the broadband services channels is not recognized as a capital asset of the District and therefore has no carrying value. The interest rate assumed to be charged by the District is 0.25%, its estimated annual return on investments. Inflows of resources under the agreement amounted to $252,636 and $243,520 for the years ended June 30, 2025 and 2024, respectively.

NOTE 8 – EXPENSE CLASSIFICATION

Operating expenses on the Statements of Revenues, Expenses and Changes in Net Position are classified by function. Alternatively, the expenses could also be shown by type of expense, as follows for the years ended June 30, 2025 and 2024:

	2025	2024
Salaries and wages	$19,268,385	$19,748,257
Fringe benefits	6,576,336	4,814,198
Travel, memberships and subscriptions	947,792	864,382
Supplies, printing, and minor equipment	1,770,789	1,793,884
Contract services	7,525,385	3,020,404
Rentals	2,390	3,352
Repairs and maintenance	123,274	87,584
Insurance	298,864	274,580
Utilities	780,111	722,208
Depreciation and amortization	6,977,523	6,651,087
Student aid	2,710,282	1,751,786
Other	652,818	553,121
Total operating expenses	$47,633,949	$40,284,843

NOTE 9 – JOINT VENTURE - WISPALS

The District implemented a computerized library database through a joint venture with Gateway, Waukesha County, and Moraine Park Technical Colleges by forming the Wisconsin Public Access Library System (WisPALS) in the fall of 1997. WisPALS is governed by the colleges' presidents and librarians with each college having an equal vote. Initially, through the joint venture each college owned one-fifth of the computer hardware and software that was housed at WCTC's Pewaukee campus. Since 2015, WisPALs has been using the project management services and online resources of the Wisconsin Library System and, therefore, has no capital investment. The operating costs of WisPALS are shared equally by the colleges.

The District's share of the operating costs amounted to $9,091 and $9,985 for the years ended June 30, 2025 and 2024, respectively, in the general fund.

As the operating costs of WisPALS are funded in full by the participating colleges, there is no change in fund balance for the joint venture for the year ended June 30, 2025. WisPALS has no joint venture debt outstanding.

The WisPALS financial statements can be obtained through Wisconsin Library Service, 1360 Regent Street #212, Madison, WI 53715.

NOTE 10 – JOINT VENTURE - WILM

Lakeshore College is also part of the Wisconsin Indianhead, Lakeshore and Mid-State Consortium (WILM), which was formed under Sec. 66.0301 and Chapter 38 of the Wisconsin Statutes. The purpose of the consortium is to develop, procure, enhance and manage a customer-focused, state-of-the-art environment for performing administrative business services for consortium members. The District is the management agent for the WILM Consortium. The District's share of the operating costs amounted to $534,183 and $588,619 for the years ended June 30, 2025 and 2024, respectively. The District's share of the capital costs for the year ended June 30, 2025 and 2024 were $0 and $0, respectively.

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

NOTE 11 – COMPONENT UNIT

Lakeshore College Foundation, Inc. is included as a component unit and financial information is presented as a discrete column in the statement of net position and the statement of revenues, expenses, and changes in net position.

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

NOTE 11 – COMPONENT UNIT (continued)

Cash and investments

The Foundation's cash and investments consisted of the following at June 30, 2025 and 2024:

	2025	2024
Demand deposits	$874,982	$632,698
Money market funds	97,848	75,403
Fixed income funds	1,263,227	1,168,895
Equity	2,741,453	2,456,943
Total	$4,977,510	$4,333,939

The following presents, for each of the fair value hierarchy levels, the Foundation's financial assets at June 30, 2025 and 2024 that are measured at fair value on a recurring basis:

		Fair Value Measurement Using:			
June 30, 2025	Total	Level 1	Level 2	Level 3	NA
Cash and Money Market Funds (at cost)	$97,848	$0	$0	$0	$97,848
Fixed income funds:					
Taxable US	1,263,227	1,263,227	0	0	0
Equity:					
US equity	2,075,672	2,075,672	0	0	0
Developed foreign	665,781	665,781			
Total investments by fair value levels	$4,102,528	$4,102,528	$0	$0	$97,848

		Fair Value Measurement Using:			
June 30, 2024	Total	Level 1	Level 2	Level 3	NA
Cash and Money Market Funds (at cost)	$75,403	$0	$0	$0	$75,403
Fixed income funds:					
Taxable US	1,168,895	1,168,895	0	0	0
Equity:					
US equity	2,456,943	2,456,943	0	0	0
Total investments by fair value levels	$3,701,241	$3,625,838	$0	$0	$75,403

NOTE 11 – COMPONENT UNIT (continued)

Unconditional promises to give

The Foundation had unconditional promises to give at June 30, 2025 and 2024 as follows:

Receivable in:	2025	2024
Less than one year	$234,830	$347,869
One to five years	65,956	116,500
More than five years	0	0
	300,786	464,369
Less discount to net present value	(5,023)	(19,580)
	$295,763	$444,789
Reported as:		
Current assets	$234,830	$347,869
Non-current assets	60,933	96,920
Total	$295,763	$444,789

A reserve for uncollectible amounts is not deemed necessary by management.

NOTE 12 – SELECT UPCOMING ACCOUNTING PRONOUNCEMENTS AND CURRENT YEAR IMPLEMENTATIONS

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*

Adoption of these statements, as they become effective, may restate portions of these financial statements.

The District adopted GASB Statement No. 101, *Compensated Absences*, during the fiscal year ended June 30, 2025. GASB 101 updated the recognition and measurement guidance for compensated absences, as well as amended the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability. Adoption of this statement did not require restatement as the amount calculated was not materially impacted.

The District adopted GASB Statement No. 102, *Certain Risk Disclosures*, during the fiscal year ended June 30, 2025. GASB 102 provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. Adoption of this statement had no impact on the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

LAKESHORE TECHNICAL COLLEGE DISTRICT

SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
AND SCHEDULE OF EMPLOYER CONTRIBUTIONS
WISCONSIN RETIREMENT SYSTEM
For the fiscal year ended June 30, 2025

Schedule of Employer's Proportionate Share of the Net Pension Liability (Asset)

Plan Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/15	0.13246576%	2,147,668	18,273,147	11.75%	98.20%
12/31/16	0.12991854%	1,070,839	18,880,504	5.67%	99.12%
12/31/17	0.12872187%	(3,821,905)	18,853,397	-20.27%	102.93%
12/31/18	0.12651447%	4,500,988	18,788,429	23.96%	96.45%
12/31/19	0.12187865%	(3,929,924)	18,678,410	-21.04%	102.96%
12/31/20	0.11671776%	(7,286,851)	18,658,102	-39.05%	105.26%
12/31/21	0.11400292%	(9,188,845)	19,633,728	-46.80%	106.02%
12/31/22	0.11023187%	5,839,757	19,081,310	30.60%	95.72%
12/31/23	0.10457048%	1,554,760	18,633,363	8.34%	98.85%
12/31/24	0.09546075%	1,568,578	18,526,491	8.47%	98.79%

Schedule of Employer Contributions

District Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/16	1,265,048	1,265,048	0	18,803,554	6.73%
6/30/17	1,246,934	1,246,934	0	18,859,094	6.61%
6/30/18	1,282,030	1,282,030	0	18,947,363	6.77%
6/30/19	1,229,117	1,229,117	0	18,562,789	6.62%
6/30/20	1,261,527	1,261,527	0	18,892,026	6.68%
6/30/21	1,302,353	1,302,353	0	19,340,018	6.73%
6/30/22	1,228,549	1,228,549	0	18,541,103	6.63%
6/30/23	1,240,289	1,240,289	0	18,894,415	6.56%
6/30/24	1,263,361	1,263,361	0	18,783,626	6.73%
6/30/25	1,246,061	1,246,061	0	18,049,055	6.90%

See Notes to Required Supplementary Information.

LAKESHORE TECHNICAL COLLEGE DISTRICT

SCHEDULE OF CHANGES IN TOTAL OPEB LIABLILITY AND RELATED RATIOS
For the fiscal year ended June 30, 2025

	2025	2024	2023	2022
Total OPEB liability				
Service cost	$ 6,088	$ 26,742	$ 34,414	$ 47,553
Interest	90,003	73,874	54,517	52,700
Changes of benefit terms	-	(13,623)	-	-
Differences between expected and actual experience	(110,944)	889,148	14,266	456,237
Changes of assumptions or other input	(2,739)	6,237	(85,161)	25,604
Benefit payments	(627,952)	(651,363)	(529,281)	(460,288)
Net change in total OPEB liability	(645,544)	331,015	(511,245)	121,806
Total OPEB liability - beginning	2,490,187	2,159,172	2,670,417	2,548,611
Total OPEB liability - ending	$ 1,844,643	$ 2,490,187	$ 2,159,172	$ 2,670,417
Covered-employee payroll	$ 16,878,930	$ 16,878,930	$ 17,139,917	$ 17,139,917
District's total OPEB liability as a percentage of covered-employee payroll	10.93%	14.75%	12.60%	15.58%

	2021	2020	2019	2018
Total OPEB liability				
Service cost	$ 38,352	$ 42,467	$ 44,070	$ 44,070
Interest	90,683	97,446	104,007	116,621
Changes of benefit terms	-	(97,349)	-	-
Differences between expected and actual experience	-	395,992	-	-
Changes of assumptions or other input	69,205	33,604	(19,222)	-
Benefit payments	(442,769)	(512,718)	(489,482)	(552,718)
Net change in total OPEB liability	(244,529)	(40,558)	(360,627)	(392,027)
Total OPEB liability - beginning	2,793,140	2,833,698	3,194,325	3,586,352
Total OPEB liability - ending	$ 2,548,611	$ 2,793,140	$ 2,833,698	$ 3,194,325
Covered-employee payroll	$ 17,464,572	$ 17,464,572	$ 16,852,508	$ 16,852,508
District's total OPEB liability as a percentage of covered-employee payroll	14.59%	15.99%	16.81%	18.95%

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

See Notes to Required Supplementary Information.

(1) Wisconsin Retirement System

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

b. Based on a three-year experience study conducted in 2024 covering January 1, 2021 through December 31, 2023, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including seniority (merit) rate increasing the upper range from 5.6% to 5.7%.

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 ended December 31, 2021, including the following:

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

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-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 post-retirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

(2) Other Postemployment Benefits

a. The District implemented GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* for the fiscal year ended June 30, 2018. Information for prior years is not available.

b. No assets have been accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

SUPPLEMENTARY INFORMATION

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

GENERAL FUND

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

LAKESHORE TECHNICAL COLLEGE DISTRICT

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
For the fiscal year ended June 30, 2025

	Original Budget	Final Budget	Actuals on a GAAP Basis	Adjustment to Budgetary Basis	Actuals on a Budgetary Basis	Variance
Revenues						
Local government - tax levy	$6,073,000	$6,090,000	$6,228,696	$0	$6,228,696	$138,696
Property tax relief aid	13,136,000	13,136,000	13,135,890	0	13,135,890	(110)
State aids	3,921,000	3,921,000	3,646,817	0	3,646,817	(274,183)
Program fees	4,514,000	4,514,000	4,717,707	0	4,717,707	203,707
Material fees	273,000	273,000	297,538	0	297,538	24,538
Other student fees	175,000	175,000	192,210	0	192,210	17,210
Institutional revenue	659,000	659,000	1,749,949	0	1,749,949	1,090,949
Federal revenue	5,000	5,000	8,995	0	8,995	3,995
Total Revenues	28,756,000	28,773,000	29,977,802	0	29,977,802	1,204,802
Expenditures						
Instruction	15,793,000	15,265,000	13,810,726	7,868	13,818,594	1,446,406
Instructional resources	1,365,000	1,352,000	1,157,631	0	1,157,631	194,369
Student services	3,719,000	3,588,000	3,090,349	0	3,090,349	497,651
General institutional	6,466,000	6,731,000	6,737,634	(7,522)	6,730,112	888
Physical plant	2,336,000	2,312,000	2,071,514	(1,217)	2,070,297	241,703
Total Expenditures	29,679,000	29,248,000	26,867,854	(871)	26,866,983	2,381,017
Revenues over (under) expenditures	(923,000)	(475,000)	3,109,948	871	3,110,819	3,585,819
Other financing sources (uses):						
Operating transfers out	(1,941,000)	(1,466,000)	(1,466,000)	0	(1,466,000)	0
Total other financing sources (uses)	(1,941,000)	(1,466,000)	(1,466,000)	0	(1,466,000)	0
Revenues and other financing sources over (under) expenditures	($2,864,000)	($1,941,000)	1,643,948	871	1,644,819	$3,585,819
Fund balance at beginning of year			13,299,801	(15,943)	13,283,858	
Fund balance at end of year			$14,943,749	($15,072)	$14,928,677	

SPECIAL REVENUE FUNDS

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

Operating Fund – The operating fund is used to account for the proceeds from specific revenue sources other than non-operating fund that are legally restricted as to expenditures for specific purposes.

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

LAKESHORE TECHNICAL COLLEGE DISTRICT

SPECIAL REVENUE FUND - OPERATING
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
For the fiscal year ended June 30, 2025

	Original Budget	Final Budget	Actuals on a GAAP Basis	Adjustment to Budgetary Basis	Actuals on a Budgetary Basis	Variance
Revenues						
Local government - tax levy	$576,000	$576,000	$468,000	$0	$468,000	($108,000)
State aids	813,000	813,000	901,419	0	901,419	88,419
Institutional revenue	1,918,000	1,918,000	1,895,096	0	1,895,096	(22,904)
Federal revenue	2,448,000	2,448,000	1,777,172	0	1,777,172	(670,828)
Total Revenues	5,755,000	5,755,000	5,041,687	0	5,041,687	(713,313)
Expenditures						
Instruction	4,281,000	4,281,000	3,613,683	0	3,613,683	667,317
Instructional resources	0	0	0	0	0	0
Student services	1,474,000	1,474,000	1,223,239	0	1,223,239	250,761
General institutional	0	0	0	0	0	0
Physical plant	0	0	0	0	0	0
Total Expenditures	5,755,000	5,755,000	4,836,922	0	4,836,922	918,078
Revenues over (under) expenditures	$0	$0	204,765	0	204,765	$204,765
Fund balance at beginning of year			602,448	0	602,448	
Fund balance at end of year			$807,213	$0	$807,213	

LAKESHORE TECHNICAL COLLEGE DISTRICT

SPECIAL REVENUE FUND – NON-AIDABLE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
For the fiscal year ended June 30, 2025

	Original Budget	Final Budget	Actuals on a GAAP Basis	Adjustment to Budgetary Basis	Actuals on a Budgetary Basis	Variance
Revenues						
State aids	$32,000	$32,000	$24,753	$0	$24,753	($7,247)
Other student fees	315,000	315,000	268,610	0	268,610	(46,390)
Institutional revenue	357,000	357,000	231,872	0	231,872	(125,128)
Federal revenue	3,046,000	3,100,000	3,319,794	0	3,319,794	219,794
Total Revenues	3,750,000	3,804,000	3,845,029	0	3,845,029	41,029
Expenditures						
Student services	3,750,000	3,804,000	3,803,126	0	3,803,126	874
Total Expenditures	3,750,000	3,804,000	3,803,126	0	3,803,126	874
Revenues over (under) expenditures	$0	$0	41,903	0	41,903	$41,903
Fund balance at beginning of year			454,479	0	454,479	
Fund balance at end of year			$496,382	$0	$496,382	

CAPITAL PROJECTS FUND

The capital projects fund is used to account for financial sources used for the acquisition or construction of major capital assets and remodeling.

LAKESHORE TECHNICAL COLLEGE DISTRICT

CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
For the fiscal year ended June 30, 2025

	Original Budget	Final Budget	Actuals on a GAAP Basis	Adjustment to Budgetary Basis	Actuals on a Budgetary Basis	Variance
Revenues						
Local government - tax levy	$0	$0	$0	$0	$0	$0
State aids	0	132,000	1,119,299	0	1,119,299	987,299
Institutional revenue	56,000	56,000	226,674	0	226,674	170,674
Federal revenue	214,000	214,000	166,279	0	166,279	(47,721)
Total Revenues	270,000	402,000	1,512,252	0	1,512,252	1,110,252
Expenditures						
Capital Outlay						
Instruction	1,312,000	1,444,000	1,447,627	(4,203)	1,443,424	576
Instructional resources	612,000	612,000	489,287	1,788	491,075	120,925
Student services	69,000	192,000	191,198	0	191,198	802
General institutional	10,932,000	10,334,000	1,809,660	31,048	1,840,708	8,493,292
Physical plant	4,017,000	4,017,000	4,067,161	(96,193)	3,970,968	46,032
Total Expenditures	16,942,000	16,599,000	8,004,933	(67,560)	7,937,373	8,661,627
Revenues over (under) expenditures	(16,672,000)	(16,197,000)	(6,492,681)	67,560	(6,425,121)	9,771,879
Other financing sources:						
Operating transfers in	1,941,000	1,466,000	1,466,000	0	1,466,000	0
Proceeds from debt	5,391,000	5,391,000	4,321,770	0	4,321,770	(1,069,230)
Lease and SBITA financing	8,170,000	8,170,000	916,982	0	916,982	(7,253,018)
Total other financing sources	15,502,000	15,027,000	6,704,752	0	6,704,752	(8,322,248)
Revenues and other financing sources over (under) expenditures	($1,170,000)	($1,170,000)	212,071	67,560	279,631	$1,449,631
Fund balance at beginning of year			12,952,235	(122,245)	12,829,990	
Fund balance at end of year			$13,164,306	($54,685)	$13,109,621	

DEBT SERVICE FUND

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

LAKESHORE TECHNICAL COLLEGE DISTRICT

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
For the fiscal year ended June 30, 2025

	Original Budget	Final Budget	Actuals on a GAAP Basis	Adjustment to Budgetary Basis	Actuals on a Budgetary Basis	Variance
Revenues						
Local government - tax levy	$6,661,000	$6,661,000	$6,660,036	$0	$6,660,036	($964)
Institutional revenue	58,000	58,000	87,099	0	87,099	29,099
Total Revenues	6,719,000	6,719,000	6,747,135	0	6,747,135	28,135
Expenditures						
Physical plant	7,628,000	7,797,000	7,796,181	0	7,796,181	819
Total Expenditures	7,628,000	7,797,000	7,796,181	0	7,796,181	819
Revenues over (under) expenditures	(909,000)	(1,078,000)	(1,049,046)	0	(1,049,046)	28,954
Other financing sources:						
Proceeds from debt	896,000	1,065,000	1,216,733	0	1,216,733	151,733
Total other financing sources	896,000	1,065,000	1,216,733	0	1,216,733	151,733
Revenues and other financing sources over (under) expenditures	($13,000)	($13,000)	167,687	0	167,687	$180,687
Fund balance at beginning of year			2,030,366	0	2,030,366	
Fund balance at end of year			$2,198,053	$0	$2,198,053	

ENTERPRISE FUND

The enterprise fund is used to account for ongoing activities which are similar to those often found in the private sector. Their measurement focus is based upon determination of net income. The operations of food service, bookstore, childcare, and other activities which complement the basic educational objectives of the District (instructional related resale accounts and seminar activity) are accounted for in the enterprise fund. Services are provided primarily through user charges.

LAKESHORE TECHNICAL COLLEGE DISTRICT

ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
For the fiscal year ended June 30, 2025

	Original Budget	Final Budget	Actuals on a GAAP Basis	Adjustment to Budgetary Basis	Actuals on a Budgetary Basis	Variance
Revenues						
Institutional revenue	$1,275,000	$1,275,000	$968,683	$0	$968,683	($306,317)
Total Revenues	1,275,000	1,275,000	968,683	0	968,683	(306,317)
Expenses						
Auxiliary services	1,275,000	1,275,000	1,204,722	0	1,204,722	70,278
Total Expenses	1,275,000	1,275,000	1,204,722	0	1,204,722	70,278
Revenues over (under) expenses	$0	$0	(236,039)	0	(236,039)	($236,039)
Net position at beginning of year			5,119,677	0	5,119,677	
Net position at end of year			$4,883,638	$0	$4,883,638	

INTERNAL SERVICE FUND

The internal service fund is used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis. Included are self-insured dental, media services, copy center, and equipment repair.

LAKESHORE TECHNICAL COLLEGE DISTRICT

INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
For the fiscal year ended June 30, 2025

	Original Budget	Final Budget	Actuals on a GAAP Basis	Adjustment to Budgetary Basis	Actuals on a Budgetary Basis	Variance
Revenues						
Institutional revenue	$495,000	$495,000	$391,098	$0	$391,098	($103,902)
Total Revenues	495,000	495,000	391,098	0	391,098	(103,902)
Expenses						
Auxiliary services	495,000	495,000	478,208	0	478,208	16,792
Total Expenses	495,000	495,000	478,208	0	478,208	16,792
Revenues over (under) expenses	$0	$0	(87,110)	0	(87,110)	($87,110)
Net postion at beginning of year			639,475	0	639,475	
Net position at end of year			$552,365	$0	$552,365	

LAKESHORE TECHNICAL COLLEGE DISTRICT

SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS COMBINED FINANCIAL STATEMENTS TO THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the fiscal year ended June 30, 2025

	Governmental Fund Types					Proprietary Fund Types					
		Special Revenue Funds		Capital	Debt		Internal		Reconciling	Statement of Revenues, Expenses and Changes in	Fiduciary
	General	Operating	Non-Aidable	Projects	Service	Enterprise	Service	Total	Items	Net Position	Funds
Revenues											
Local government - tax levy	$6,228,696	$468,000	$0	$0	$6,660,036	$0	$0	$13,356,732	$0	$13,356,732	$0
Intergovernmental revenue:											
State	16,782,707	901,419	24,753	1,119,299	0	0	0	18,828,178	0	18,828,178 (1)	0
Federal	8,995	1,777,171	3,319,794	166,279	0	0	0	5,272,239	0	5,272,239 (2)	0
Tuition and fees:											
Program fees	4,717,707	0	0	0	0	0	0	4,717,707	(518,261)	4,199,446	0
Material fees	297,538	0	0	0	0	0	0	297,538	(33,217)	264,321	0
Other student fees	192,210	0	268,610	0	0	0	0	460,820	(55,080)	405,740	0
Institutional revenue	1,749,949	1,895,097	231,872	226,674	87,099	968,683	391,098	5,550,472	(1,344,781)	4,205,691 (3)	155,003
Auxiliary revenue	0	0	0	0	0	0	0	0	783,683	783,683	0
Total Revenues	29,977,802	5,041,687	3,845,029	1,512,252	6,747,135	968,683	391,098	48,483,686	(1,167,656)	47,316,030	155,003
Expenditures											
Instruction	13,818,594	3,613,683	0	0	0	0	0	17,432,277	501,849	17,934,126	0
Instructional resources	1,157,631	0	0	0	0	0	0	1,157,631	43,235	1,200,866	0
Student services	3,090,349	1,223,239	3,803,126	0	0	0	0	8,116,714	(3,340,464)	4,776,250	132,207
General institutional	6,730,112	0	0	0	0	0	0	6,730,112	3,969,601	10,699,713	0
Physical plant	2,070,297	0	0	0	7,796,181	0	0	9,866,478	(6,793,574)	3,072,904 (4)	0
Student aid	0	0	0	0	0	0	0	0	1,751,786	2,710,282	0
Capital outlay	0	0	0	7,937,373	0	0	0	7,937,373	(7,937,373)	0	0
Depreciation - unallocated	0	0	0	0	0	0	0	0	6,651,088	6,977,523	0
Auxiliary enterprise services	0	0	0	0	0	1,204,722	478,208	1,682,930	(477,119)	1,205,811	0
Total Expenditures	26,866,983	4,836,922	3,803,126	7,937,373	7,796,181	1,204,722	478,208	52,923,515	(5,630,971)	48,577,475	132,207
Excess (deficiency) of revenues over (under) expenditures	3,110,819	204,765	41,903	(6,425,121)	(1,049,046)	(236,039)	(87,110)	(4,439,829)	4,463,315	(1,261,445)	22,796
Other financing sources (uses):											
Proceeds from debt	0	0	0	4,321,770	978,230	0	0	5,300,000	(5,300,000)	0	0
Proceeds from debt premium	0	0	0	0	238,503	0	0	238,503	(238,503)	0	0
Repayment of debt	0	0	0	0	0	0	0	0	0	0	0
Lease and subscription financing	0	0	0	916,982	0	0	0	916,982	(916,982)	0	0
Operating transfers in (out)	(1,466,000)	0	0	1,466,000	0	0	0	0	0	0	0
Total other financing sources (uses)	(1,466,000)	0	0	6,704,752	1,216,733	0	0	6,455,485	(6,455,485)	0	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures	1,644,819	204,765	41,903	279,631	167,687	(236,039)	(87,110)	2,015,656	(1,992,170)	(1,261,445)	22,796
Fund balance/net position at beginning of year	13,283,858	602,448	454,479	12,829,990	2,030,366	5,119,677	639,475	34,960,293	10,171,680	45,131,973	158,335
Fund balance/net position at end of year	$14,928,677	$807,213	$496,382	$13,109,621	$2,198,053	$4,883,638	$552,365	$36,975,949	$8,179,510	$43,870,528 (5)	$181,131

LAKESHORE TECHNICAL COLLEGE DISTRICT

SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS COMBINED FINANCIAL STATEMENTS TO THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (continued)
For the fiscal year ended June 30, 2025

Budgets and Budgetary Accounting

The District's fund structure used in preparing the basic financial statements is different than the fund structure used for budgetary accounting. Annual budgets are adopted for all funds in accordance with the requirements of the Wisconsin Technical College System Board. The District follows the procedures listed below in adopting annual budgets for all funds in accordance with legal requirements.

- Budgets are developed within the established parameters and guidelines.
- Public hearings are conducted on the proposed budget prior to District Board approval.
- Prior to July 1, the budget is legally enacted through approval by the District Board.
- Budget amendments made during the year are legally authorized by the District Board. Budget transfers (between funds and functional areas within funds) and changes in budgeted revenues and expenditures (appropriations) require approval by two-thirds of the entire membership of the Board and require publishing a Class I public notice in the District's official newspaper within 10 days according to Wisconsin Statutes.
- Management exercises control over budgeted expenditures by fund and function as presented in the accompanying financial statements. Expenditures, by fund and function, may not exceed funds available or appropriated. Unused appropriations lapse at year end.

Formal budgetary integration is employed as a planning device for all funds. The District adopts an annual operating budget that is prepared on a different basis from the basic financial statements. The budget differs from GAAP by recognizing encumbrances as expenditures. Also, the budget does not incorporate changes related to GASB Statement Nos. 34, 35, 37, 38, 45, 68, 71 and 75.

LAKESHORE TECHNICAL COLLEGE DISTRICT

SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS COMBINED FINANCIAL STATEMENTS TO THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (continued)
For the fiscal year ended June 30, 2025

(1) State grant revenue is presented on the Statements of Revenues, Expenses and Changes in Net Position as follows:

Operating	$ 1,409,695
Non-operating	16,299,184
Capital grants	1,119,299
Total	$18,828,178

(2) Federal grant revenue is presented on the Statements of Revenues, Expenses and Changes in Net Position as follows:

Operating	$1,608,620
Non-operating	3,510,346
Capital grants	153,273
Total	$5,272,239

(3) Other institutional revenue is reported as six separate lines on the Statements of Revenues, Expenses and Changes in Net Position as follows:

Business and industry contract revenue	$1,842,597
Miscellaneous	824,415
Interest income, net of fees	1,423,409
Gain on sale of capital assets	67,384
Contributions	133,085
Realized and unrealized gain on investments	(85,199)
Total	$4,205,691

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

Physical plant	$2,129,378
Interest expense	943,526
Total	$3,072,904

LAKESHORE TECHNICAL COLLEGE DISTRICT

SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS COMBINED FINANCIAL STATEMENTS TO THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (continued)
For the fiscal year ended June 30, 2025

(5) Reconciliation of budgetary basis fund balance and net position as presented on the Statements of Revenue, Expenses and Changes in Net Position is as follows:

Budgetary basis fund balance	$36,975,949
Capital assets at cost	129,652,712
Accumulated depreciation on capital assets	(89,236,609)
General obligation debt	(32,900,000)
Lease liability	(2,824,001)
Subscription liability	(607,330)
Other postemployment benefits	(1,844,643)
Deferred outflows of resources related to OPEB	1,349,675
Deferred inflows of resources related to OPEB	(137,314)
Insurance reserves	2,557,629
Net pension liability	(1,568,578)
Deferred outflows of resources related to pension	8,462,705
Deferred inflows of resources related to pension	(4,578,031)
Book value of proprietary fund assets removed with adoption of capitalization policy	(1,653)
Accrued interest on long-term debt	(209,700)
Summer school tuition	267,616
Summer school instructional expenses	(261,324)
Bond premium	(1,351,841)
Fiduciary activities	69,757
Current year encumbrances	55,509
Net position per basic financial statements	$43,870,528

STATISTICAL SECTION

The following statistical information is presented as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health. The information was prepared by the District and was not subject to audit by the independent certified public accounting firm.

Contents

Financial Trends
The schedules contain trend information to help readers understand how the District's financial performance and well-being has changed over time.

Revenue Capacity
This information is provided to assist the reader in assessing factors that affect the District's most significant local revenue source – its property tax.

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

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader better understand the environment within the District.

Operating Information
The schedules contain service and infrastructure data to help the reader understand how the financial information relates to the services the District provides and the activities it performs.

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LAKESHORE TECHNICAL COLLEGE DISTRICT

NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Net Position										
Net investment in capital assets	$6,372,717	$6,300,065	$6,112,865	$5,817,617	$6,490,653	$7,888,197	$9,712,871	$15,885,161	$18,319,591	$15,964,314
Restricted for pension benefits	0	0	3,821,905	0	3,929,924	7,286,851	9,188,845	0	0	0
Restricted for capital projects	0	0	0	0	0	0	0	2,400,000	0	0
Restricted for debt service	1,194,655	1,313,420	1,151,984	1,271,707	1,444,726	1,427,095	1,365,321	1,445,484	1,797,233	1,988,353
Unrestricted	15,588,495	14,569,399	8,927,267	12,193,185	10,757,734	11,502,418	14,574,564	20,890,137	25,015,149	25,917,861
Total Net Position	$23,155,867	$22,182,884	$20,014,021	$19,282,509	$22,623,037	$28,104,561	$34,841,601	$40,620,782	$45,131,973	$43,870,528

LAKESHORE TECHNICAL COLLEGE DISTRICT

OPERATING EXPENSES, OPERATING REVENUES AND NON-OPERATING REVENUES (EXPENSES)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Operating Expenses										
Instruction	$ 22,211,711	$ 22,052,872	$ 20,311,355	$ 20,369,428	$ 18,380,809	$ 16,583,747	$ 16,502,762	$ 19,132,020	$ 17,001,299	$ 17,934,126
Instructional resources	1,218,331	1,175,858	1,201,149	1,448,087	1,233,304	1,433,942	1,219,105	1,461,975	1,247,611	1,200,866
Student services	4,662,832	5,119,100	5,222,537	5,268,252	5,581,487	5,670,626	6,609,837	7,397,889	5,221,277	4,776,250
General institutional	5,230,797	5,076,089	4,779,336	5,285,721	4,409,550	4,415,685	4,640,916	5,498,289	5,491,082	10,699,713
Physical plant	3,023,460	2,772,618	2,951,062	2,878,505	2,495,709	2,030,407	2,041,025	2,209,340	2,157,978	2,129,378
Auxiliary enterprise services	1,414,185	1,407,734	1,429,409	1,198,520	991,547	1,079,782	988,720	946,747	762,722	1,205,811
Depreciation - unallocated	3,870,107	4,121,931	4,198,244	4,365,529	4,419,003	5,295,586	5,608,747	6,381,197	6,651,088	6,977,523
Student aid	2,206,841	1,904,457	1,942,304	1,843,399	1,605,626	1,466,049	1,460,449	1,671,655	1,751,786	2,710,282
Total operating expenses	43,838,264	43,630,659	42,035,396	42,657,441	39,117,035	37,975,824	39,071,561	44,699,112	40,284,843	47,633,949
Operating Revenues										
Tuition and fees, net of scholarship allowances	5,632,572	5,657,406	5,745,526	5,438,003	5,088,487	4,781,991	4,546,230	4,354,761	4,337,392	4,869,507
Federal grants	1,542,718	1,432,114	1,348,370	1,301,883	1,491,357	1,708,927	1,461,583	1,668,733	1,750,941	1,608,620
State grants	3,215,351	2,190,012	1,625,043	1,391,242	1,338,339	1,294,957	1,554,881	1,766,513	1,607,550	1,409,695
Business and industry contract revenue	1,825,302	1,697,135	1,516,112	1,332,298	1,454,784	1,462,476	1,739,881	2,100,929	1,846,374	1,842,597
School district contract revenue	0	2,545	0	0	2,987	0	846	2,223	9,294	0
Auxillary enterprise revenue	1,843,682	1,863,289	1,907,271	1,448,237	1,275,009	1,574,924	1,382,508	1,111,340	790,170	783,683
Miscellaneous	499,463	464,265	355,934	427,244	460,758	187,379	270,158	497,949	636,344	824,415
Total operating revenues	14,559,088	13,306,766	12,498,256	11,338,907	11,111,721	11,010,654	10,956,087	11,502,448	10,978,065	11,338,517
Operating loss	$ (29,279,176)	$ (30,323,893)	$ (29,537,140)	$ (31,318,534)	$ (28,005,314)	$ (26,965,170)	$ (28,115,474)	$ (33,196,664)	$ (29,306,778)	$ (36,295,432)
Non-Operating Revenues (Expenses)										
Property taxes	$ 10,934,545	$ 10,942,612	$ 11,743,801	$ 11,874,205	$ 12,378,955	$ 12,932,675	$ 12,703,436	$ 12,689,751	$ 13,076,196	$ 13,356,732
State operating appropriations	15,264,849	15,385,533	14,992,421	14,887,923	15,187,381	15,130,329	16,086,544	16,421,401	16,003,579	16,299,184
Other federal financial assistance	3,322,074	3,205,261	3,254,545	3,259,077	3,725,435	4,967,575	6,299,453	6,908,779	3,717,116	3,510,346
Gain (loss) on disposal of assets	12,732	(3,586)	13,548	15,518	31,334	(84,006)	71,552	82,704	121,212	67,384
Investment income	154,423	14,050	147,516	473,252	443,221	11,618	(72,670)	872,941	1,490,889	1,338,210
Interest expense	(732,205)	(725,062)	(705,302)	(690,234)	(703,742)	(749,912)	(748,545)	(793,856)	(838,027)	(943,526)
Total non-operating revenues (expenses)	$ 28,956,418	$ 28,818,808	$ 29,446,529	$ 29,819,741	$ 31,062,584	$ 32,208,279	$ 34,339,770	$ 36,181,720	$ 33,570,965	$ 33,628,330
Capital Contributions										
Contributions	$ 0	$ 0	$ 0	$ 343,661	$ 30,957	$ 0	$ 0	$ 2,400,000	$ 0	$ 133,085
Federal and state capital grants	596,521	532,102	261,897	423,620	252,301	238,415	372,893	394,125	247,004	1,272,572
Total non-operating revenues (expenses)	$ 596,521	$ 532,102	$ 261,897	$ 767,281	$ 283,258	$ 238,415	$ 372,893	$ 2,794,125	$ 247,004	$ 1,405,657
Change in Net Position	$ 273,763	$ (972,983)	$ 171,286	$ (731,512)	$ 3,340,528	$ 5,481,524	$ 6,597,189	$ 5,779,181	$ 4,511,191	$ (1,261,445)

LAKESHORE TECHNICAL COLLEGE DISTRICT

EQUALIZED VALUE OF TAXABLE PROPERTY (A)
Last Ten Calendar Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
MANITOWOC COUNTY										
Equalized valuations including TID										
Real Estate:										
Residential	$3,711,929,200	$3,798,653,500	$3,823,877,700	$3,963,742,900	$4,182,149,400	$4,394,960,700	$4,746,947,000	$5,632,380,300	$6,462,402,900	$7,122,449,600
Commercial	728,413,300	712,894,000	683,414,900	736,093,400	767,748,700	804,839,700	810,763,700	952,024,100	1,082,268,200	1,271,258,200
Manufacturing	226,523,300	238,130,600	242,721,300	244,989,600	257,714,500	282,778,200	294,031,900	313,651,500	337,412,100	361,325,000
Agricultural	36,963,800	37,415,400	38,001,300	38,918,600	39,957,500	41,633,200	42,983,500	44,874,400	50,286,700	55,678,400
Undeveloped	48,605,800	42,367,400	42,588,800	41,865,600	42,562,500	41,597,400	40,626,600	43,657,500	49,614,200	50,848,700
Agriculture Forest	38,105,300	39,913,100	40,927,100	42,354,600	43,292,300	42,880,300	44,247,000	45,194,900	49,372,800	53,613,700
Forest	49,112,700	51,272,300	52,077,500	53,414,700	56,294,400	55,454,100	57,232,600	64,216,200	68,017,500	75,332,400
Other	232,764,000	238,782,800	241,931,900	236,757,200	260,748,800	259,505,800	258,259,900	249,884,000	256,978,900	312,835,400
Total Real Estate	5,072,417,400	5,159,429,100	5,165,540,500	5,358,136,600	5,650,468,100	5,923,649,400	6,295,092,200	7,345,882,900	8,356,353,300	9,303,341,400
Total Personal Property (D)	130,365,100	116,306,700	121,461,700	80,221,300	86,746,000	91,350,800	89,961,500	107,336,500	105,662,700	0
Total Equalized Value	$5,202,782,500	$5,275,735,800	$5,287,002,200	$5,438,357,900	$5,737,214,100	$6,015,000,200	$6,385,053,700	$7,453,219,400	$8,462,016,000	$9,303,341,400
Total Assessed Value	$5,310,848,980	$5,335,439,526	$5,366,160,228	$5,378,917,984	$5,478,945,814	$5,544,246,614	$5,913,233,800	$6,154,045,307	$7,309,971,645	$8,025,960,600
Ratio of Assessed to Equalized Value	102.08%	101.13%	101.50%	98.91%	95.50%	92.17%	92.61%	82.57%	86.39%	86.27%
SHEBOYGAN COUNTY										
Equalized valuations including TID										
Real Estate:										
Residential	$6,226,857,900	$6,303,790,800	$6,620,945,700	$7,004,274,000	$7,381,855,600	$7,847,487,800	$8,363,156,800	$9,357,940,700	$10,759,476,800	$11,913,455,700
Commercial	1,404,001,900	1,426,483,400	1,540,226,300	1,641,736,100	1,689,012,100	1,892,325,500	2,023,578,300	2,192,233,700	2,322,344,300	2,662,271,400
Manufacturing	457,888,400	464,712,800	485,009,400	500,307,000	517,894,300	547,378,500	556,705,000	598,665,400	624,869,800	666,322,800
Agricultural	26,445,000	26,719,400	27,146,200	27,814,600	28,621,900	29,675,300	30,813,800	32,355,900	36,028,500	39,999,800
Undeveloped	35,484,400	30,345,800	31,927,700	32,409,500	31,680,300	36,427,600	36,404,700	36,665,900	43,541,400	44,146,200
Agriculture Forest	28,443,200	29,778,300	30,791,900	30,567,800	31,246,000	31,920,400	32,256,900	35,721,100	38,932,000	43,382,000
Forest	25,550,100	26,117,800	27,498,000	28,562,700	29,070,800	30,309,600	31,491,600	34,923,100	38,849,000	42,323,700
Other	168,999,200	173,524,900	178,150,300	181,801,700	186,746,600	182,441,400	187,463,600	187,666,600	193,257,500	195,834,100
Total Real Estate	8,373,670,100	8,481,473,200	8,941,695,500	9,447,473,400	9,896,127,600	10,597,966,100	11,261,870,700	12,476,172,400	14,057,299,300	15,607,735,700
Total Personal Property (D)	271,416,100	273,644,300	287,150,600	258,753,800	246,834,700	277,293,700	268,884,100	272,442,900	336,640,200	0
Total Equalized Value	$8,645,086,200	$8,755,117,500	$9,228,846,100	$9,706,227,200	$10,142,962,300	$10,875,259,800	$11,530,754,800	$12,748,615,300	$14,393,939,500	$15,607,735,700
Total Assessed Value	$8,758,982,694	$8,842,905,531	$9,008,514,487	$9,073,493,890	$9,222,815,676	$9,443,677,146	$9,555,395,488	$11,024,626,068	$12,201,541,006	$13,996,544,410
Ratio of Assessed to Equalized Value	101.32%	101.00%	97.61%	93.48%	90.93%	86.84%	82.87%	86.48%	84.77%	89.68%
Total LTC Equalized Value (B)	$ 13,661,006,238	$ 13,819,933,389	$ 14,265,117,910	$ 14,884,413,603	$ 15,601,568,718	$ 16,542,679,632	$ 17,449,987,248	$ 19,692,448,230	$ 22,493,422,230	$ 24,471,846,883
Total Tax Rate (C)	$ 0.80	$ 0.80	$ 0.82	$ 0.80	$ 0.79	$ 0.78	$ 0.73	$ 0.64	$ 0.57	$ 0.54

NOTE:

(A) Due to varying assessment ratios to full market value used in municipalities, all underlying tax districts, such as the technical colleges, are required to use equalized value for levying property taxes. Equalized value, define by state statute, is the legal market value determined by Wisconsin Department of Revenue Bureau of Property Tax. These amounts are reduced by Tax Incremental District value increments for apportioning the college's levy. Source: Wisconsin Department of Revenue

(B) This schedule contains detailed information for the counties of Manitowoc and Sheboygan. Together they comprise 97% of the District's equalized valuation.

(C) Property tax rates are shown per $1,000 of equalized value.

(D) 2023 Wisconsin Act 12 exempted personal property from taxation and created an additional personal property aid payment beginning with assessments as of January 1, 2024.

LAKESHORE TECHNICAL COLLEGE DISTRICT

DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Years
(Rate per $1,000 of Equalized Value)

(b) Year Ended June 30	LTC Operational (c)	LTC Debt Service	LTC Total	Overlapping Rates (d) Other School Districts	Local	County	Other	Gross Total	State Tax Relief	Net Tax Rate
2016	0.46	0.34	0.80	9.94	3.72	5.63	0.55	20.64	(1.78)	18.86
2017	0.47	0.34	0.81	9.57	3.86	5.64	0.61	20.49	(1.77)	18.72
2018	0.48	0.34	0.82	9.30	3.88	5.59	0.49	20.08	(1.86)	18.22
2019	0.46	0.33	0.80	9.15	3.83	5.47	0.46	19.71	(1.75)	17.96
2020	0.46	0.33	0.79	9.09	3.74	5.30	0.47	19.39	(1.64)	17.75
2021	0.45	0.33	0.78	8.77	3.67	5.08	0.48	18.78	(1.56)	17.22
2022	0.40	0.33	0.73	8.35	0.36	4.84	0.48	14.76	(1.47)	13.29
2023	0.34	0.30	0.64	7.07	3.25	4.38	0.46	15.80	(1.29)	14.51
2024	0.31	0.26	0.57	6.84	2.87	3.86	0.33	14.48	(1.39)	13.09
2025	0.30	0.25	0.54	6.58	2.79	3.61	0.28	13.81	(1.39)	12.42

Notes:
(a) Source -Wisconsin Department of Revenue, Division of State and Local Finance reports.
(b) The fiscal year represents the year that the taxes are collected.
(c) The operational property tax levies for the governmental-type funds. For taxes levied prior to June 30, 2013, this rate could not exceed $1.50. In March 2015, Wisconsin Act 145 was enacted that allocated property tax relief aid to the technical colleges and reduced the amount of their taxes levied.
(d) Overlapping rate are those of local and county governments that apply to property owners with the LTC district. Not all overlapping rates apply to all property owners with the LTC district. For example, the county rate is made up of the rates for Manitowoc, Sheboygan and parts of Ozaukee and Calumet counties. The individual county rates apply only to the property owners within each of these counties. These overlapping rates are an average of the rates for each municipality making up the detail in this column since each governmental unit can have a different rate.

LAKESHORE TECHNICAL COLLEGE DISTRICT

PRINCIPAL TAXPAYERS
Current Year and Nine Years Ago

	2025			2016		
Principal Taxpayers	Equalized Valuation (a)	% of Total Equalized Value	Rank	Equalized Valuation (a)	% of Total Equalized Value	Rank
Kohler Company	$ 239,488,600	0.98%	1	$ 156,903,600	1.15%	1
Acuity	165,576,400	0.68%	2	42,598,600	0.31%	2
Sargento Foods Inc.	45,522,100	0.19%	3	39,435,200	0.29%	3
Masters Gallery Foods Inc.	45,400,200	0.19%	4			
Oscar Apartments LLC	38,581,900	0.16%	5			
OCS Plymouth LLC	34,943,000	0.14%	6			
Meijer Stores LP	33,670,200	0.14%	7			
Wal-Mart Stores Inc	33,009,900	0.13%	8	39,415,900	0.29%	4
Morrelle Warehousing LLC	32,366,400	0.13%	9	18,260,200	0.13%	10
DHC ZB WI LLC	28,517,000	0.12%	10			
Manitowoc Cranes, Inc.				31,456,000	0.23%	5
St. Nicholas Hospital				30,974,300	0.23%	6
Bemis Manufacturing				28,466,900	0.21%	7
Johnsonville Sausage				23,231,700	0.17%	8
Holy Family Memorial Medical Center				20,662,700	0.15%	9
Total	**$ 697,075,700**	**2.85%**		**$ 431,405,100**	**3.16%**	
Total District Equalized Value	**$ 24,471,846,883**			**$ 13,661,006,238**		

Notes:
(a) Sources - Sheboygan County Finance Department
(b) District equalized value excludes Tax Incremental Districts (TID-Out).

LAKESHORE TECHNICAL COLLEGE DISTRICT

PROPERTY TAX LEVIES AND COLLECTIONS (a)
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy	As of June 30 of Fiscal Year		Cumulative as of June 30, 2025	
		Amount Collected	Percent Collected	Amount Collected	Percent Collected
2016	10,947,553	8,085,728	74%	10,947,553	100%
2017	11,119,602	8,227,273	74%	11,119,602	100%
2018	11,737,079	8,764,434	75%	11,737,079	100%
2019	11,873,161	8,859,339	75%	11,873,161	100%
2020	12,360,912	9,230,295	75%	12,360,912	100%
2021	12,837,854	9,735,662	76%	12,837,854	100%
2022	12,698,059	9,768,316	77%	12,698,059	100%
2023	12,675,121	9,626,564	76%	12,675,121	100%
2024	12,906,827	9,886,788	77%	12,906,827	100%
2024	13,325,008	10,058,370	75%	10,058,370	75%

Notes:

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

LAKESHORE TECHNICAL COLLEGE DISTRICT

RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Year Ended June 30	Population [a]	Equalized Valuation [b]	General Obligation Notes and Bonds	Premiums on Notes and Bonds	Lease Liability [c]	Subscription Liability [d]	Net Total Debt		
							Amount	Percent of Valuation	Per Capita
2016	203,716	13,661,006,238	26,260,000	465,013	N/A	N/A	26,725,013	0.20%	$ 131.19
2017	203,514	13,819,933,389	30,040,000	668,282	N/A	N/A	30,708,282	0.22%	$ 150.89
2018	202,895	14,265,117,910	29,755,000	657,560	N/A	N/A	30,412,560	0.21%	$ 149.89
2019	204,571	14,884,413,603	28,735,000	783,212	N/A	N/A	29,518,212	0.20%	$ 144.29
2020	205,757	15,601,568,718	29,780,000	953,518	N/A	N/A	30,733,518	0.20%	$ 149.37
2021	205,857	16,542,679,932	31,140,000	1,086,366	4,149,209	N/A	36,375,575	0.22%	$ 176.70
2022	207,606	17,449,987,248	31,500,000	1,158,380	3,762,230	771,873	37,192,483	0.21%	$ 179.15
2023	207,760	19,692,448,230	30,635,000	1,152,340	3,904,739	784,590	36,476,669	0.19%	$ 175.57
2024	206,305	22,493,422,230	32,855,000	1,350,029	3,338,231	628,785	38,172,045	0.17%	$ 185.03
2025	206,599	24,471,846,883	32,900,000	1,351,841	2,824,001	607,330	37,683,172	0.15%	$ 182.40

Notes:
(a) Source - Wisconsin Department of Revenue, Division of State and Local Finance reports. Includes the entire distirict as of January 1 of the calendar year.
(b) Equalized value shown is TID-Out and is reported as of the December 31 of the previous calendar year (i.e. 2025 information is as of December 31, 2024).
(c) The District implemented GASB 87, *Leases* in 2022 and presented retrospectively as of July 1, 2021.
(d) The District implemented GASB 96, *Subscription-based IT Arrangements* in 2023 and presented retrospectively as of July 1, 2022.

LAKESHORE TECHNICAL COLLEGE DISTRICT

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
For the fiscal year ended June 30, 2025

Name of Entity	Amount of Debt (Net of 2025 Principal Payments)	Percent Chargeable to District	Outstanding Debt Chargeable to District
OVERLAPPING DEBT			
Calument County	$34,825,000	1.59%	$553,718
Manitowoc County	26,755,000	95.56%	25,834,628
Ozaukee County	16,570,000	3.82%	632,974
Sheboygan County	18,245,000	99.91%	18,228,580
Total Cities	173,917,657	100.00%	173,917,657
Total Villages	57,211,905	100.00%	57,211,905
Total Towns	31,347,897	varies	30,364,489
Total School Districts	423,795,916	varies	380,322,794
Total Sanitary Districts	5,103,876	varies	5,103,876
TOTAL OVERLAPPING DEBT	$787,772,251		$692,170,621
DIRECT DEBT			
Lakeshore Technical College			
Total long term debt			$36,331,331
Debt premium			1,351,841
TOTAL DIRECT DEBT			$37,683,172
TOTAL DIRECT AND OVERLAPPING DEBT			$729,853,793

Notes:
(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses located in the District's boundaries. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.
(2) The percentage of overlapping debt applicable to the District is the equalized property value of property of the overlapping government located in Lakeshore's district as a percentage of total equalized value of all property for the overlapping government.
(3) Source –Wisconsin Department of Revenue. Information provided by each municipal entity through publicly available disclosure documents available on EMMA.msrb.org and the Wisconsin Department of Public Instruction and direct inquiries.

LAKESHORE TECHNICAL COLLEGE DISTRICT

LEGAL DEBT MARGIN INFORMATION
For the fiscal years ended June 30, 2015 to 2025
($000's)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Equalized valuation - TID In	$14,138,459	$14,333,949	$14,830,271	$15,487,176	$16,238,216	$17,270,920	$18,296,875	$20,634,594	$23,342,318	$25,414,495
Debt limit - 5% of equalized value (Wisconsin statutory limitation)	$706,923	$716,697	$741,514	$774,359	$811,911	$863,546	$914,844	$1,031,730	$1,167,116	$1,270,725
Gross indebtedness applicable to debt limit:										
General obligation promissory notes and bonds	26,260	30,040	29,755	28,735	29,780	31,140	31,500	30,635	32,855	32,900
Less debt service funds available	(1,080)	(1,182)	(1,019)	(1,138)	(1,265)	(1,289)	(1,212)	(1,285)	(1,595)	(1,717)
Total amount of debt applicable to debt margin	25,180	28,858	28,736	27,597	28,515	29,851	30,288	29,350	31,260	31,183
Legal debt margin (Debt capacity)	$681,743	$687,839	$712,778	$746,762	$783,396	$833,695	$884,556	$1,002,380	$1,135,856	$1,239,542
Percent of debt capacity used	3.56%	4.03%	3.88%	3.56%	3.51%	3.46%	3.31%	2.84%	2.68%	2.45%
Debt limit - 2% of equalized value (Wisconsin statutory limitation)	$282,769	$286,679	$296,605	$309,744	$324,764	$345,418	$365,938	$412,692	$466,846	$508,290
Gross bonded indebtedness applicable to debt limit:										
General obligation bonds	-	-	-	-	-	3,420	1,775	710	-	-
Less debt service funds available	-	-	-	-	-	-	-	-	-	-
Total amount of debt applicable to debt margin	-	-	-	-	-	3,420	1,775	710	-	-
Legal debt margin (Debt capacity)	$282,769	$286,679	$296,605	$309,744	$324,764	$341,998	$364,163	$411,982	$466,846	$508,290
Percent of debt capacity used	0.00%	0.00%	0.00%	0.00%	0.00%	0.99%	0.49%	0.17%	0.00%	0.00%
debt service funds available:										
debt service fund equity	*1,420,591*	*1,522,930*	*1,375,830*	*1,500,231*	*1,650,926*	*1,655,204*	*1,600,643*	*1,705,406*	*2,030,366*	*2,198,053*
less: interest due sept 1 of that year	*(340,112)*	*(340,960)*	*(357,018)*	*(362,056)*	*(385,523)*	*(366,399)*	*(388,258)*	*(419,983)*	*(434,975)*	*(481,050)*
	1,080,479	*1,181,970*	*1,018,812*	*1,138,175*	*1,265,403*	*1,288,805*	*1,212,385*	*1,285,423*	*1,595,391*	*1,717,003*

LAKESHORE TECHNICAL COLLEGE DISTRICT

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years

	Sheboygan County						Manitowoc County					
Calendar Year	Population (a)	Personal Income ('000s) (b)	Per Capita Personal Income (b)	Unemployment Rate (c)	K-12 Public & Private School Enrollment (d)	Senior Class Enrollment (d)	Population (a)	Personal Income ('000s) (b)	Per Capita Personal Income (b)	Unemployment Rate (c)	K-12 Public & Private School Enrollment (d)	Senior Class Enrollment (d)
2015	115,305	5,304,168	45,896	3.4%	21,231	1,638	81,372	3,575,583	44,803	4.6%	12,466	1,034
2016	115,050	5,532,445	47,930	3.3%	21,160	1,636	81,061	3,613,532	45,433	4.3%	12,398	1,009
2017	114,714	5,776,492	50,081	2.7%	20,723	1,629	80,735	3,623,618	45,767	3.5%	12,330	979
2018	115,924	6,101,981	52,821	3.0%	20,523	1,532	81,144	3,769,889	47,675	3.4%	12,271	961
2019	116,547	6,309,435	54,703	2.6%	20,463	1,582	81,643	3,830,730	48,502	3.7%	12,201	873
2020	116,924	6,409,222	50,829	7.9%	19,866	1,551	81,349	4,003,123	55,616	8.1%	11,965	894
2021	118,495	6,879,349	58,425	3.9%	19,744	1,581	81,435	4,326,678	53,085	4.0%	11,946	964
2022	118,776	7,112,794	60,359	3.0%	19,899	1,578	81,442	4,431,363	54,592	3.5%	12,145	931
2023	118,204	7,521,744	63,878	2.8%	19,670	1,560	80,580	4,683,428	57,585	3.0%	12,264	890
2024	118,465	N/A	N/A	2.9%	19,403	1,618	80,600	N/A	N/A	2.9%	11,878	923

Notes:
(a) Source - Wisconsin Department of Revenue - Division of State and Local Finance.
(b) Source - US Department of Commerce, Bureau of Economic Analysis.
(c) Source - Wisconsin Department of Workforce Development - Office of Economic Advisors. Unemployment rates for 2020 impacted by the global pandemic.
(d) Source - Wisconsin Department of Instruction. Enrollment totals for the 2024-25 school year.
(e) This schedule contains detailed information for the counties of Manitowoc and Sheboygan. Together they comprise 96% of the District's population.

LAKESHORE TECHNICAL COLLEGE DISTRICT

TEN LARGEST EMPLOYERS
Current Year and Nine Years Ago

Employer	Nature of Business	2025 Approximate Number of Employees	2025 Rank	2025 % of Total Employment	2016 Approximate Number of Employees	2016 Rank	2016 % of Total Employment
Kohler Company	Manufacturer plumbing fixtures and hospitality/resort	7,300	1	6.9%	2,500	1	2.1%
Johnsonville Sausage	Sausage producer	2,000	2	1.9%	1,053	7	0.9%
Lakeside Foods Inc.	Food products manufacturer	1,700	3	1.6%	1,700	2	1.4%
Sargento Foods*	Cheese and snacks	1,700	4	1.6%	1,300	5	1.1%
Aurora Medical Group	Medical hospital and clinics	1,412	5	1.3%			
Acuity Mutual Insurance Co.	Insurance	1,400	6	1.3%			
Bemis Mfg. Company	Plastics and healthcare products manufacturer	1,380	7	1.3%	1,650	3	1.4%
Sheboygan Area School District	Education	1,286	8	1.2%	1,254	6	1.1%
Nemak	Foundry/automotive parts	1,204	9	1.1%	850	9	0.7%
Masters Gallery Foods Inc.	Cheese processing and packaging	975	10	0.9%			
Holy Family Memorial Medical Center	Medical facility				1,400	4	1.2%
Manitowoc School District***	Education				894	8	0.7%
The Vollrath Company	Service machinery manufacturer				850	10	0.7%
	TOTAL EMPLOYMENT (b)	**105,443**			**119,344**		

Notes:

(a) Sources - Data Axle Genie (www.salesgenie.com), IndustrySelect by MNI, Lakeshore Techncial College official statement dated June 30, 2015, employer contacts and websites.

(b) Sources - www.jobcenterofwisconsin.com as of June 30, 2023 and US Department of Commerce - Bureau of Economic Anaylsis as of June 30, 2015. Includes total employment for Sheboygan County and Manitowoc County.

LAKESHORE TECHNICAL COLLEGE DISTRICT

FULL-TIME EQUIVALENT POSITIONS BY CATEGORY
Last Ten Fiscal Years

Category	2016	2017	2018	2019	2020	2021	2022	2023	2024	Est. 2025
Administrators/ Supervisors	44.2	45.6	41.7	38.5	45.6	38.6	40.6	39.2	40.6	41.6
Teachers	142.6	145.0	142.9	142.2	143.2	122.3	125.1	129.8	104.7	114.3
Specialists	1.0	1.0	1.0	1.0	1.0	1.0	5.9	6.8	6.7	10.0
Other Staff	156.2	151.5	147.0	147.4	141.5	134.3	131.4	131.0	118.8	131.6
	344.0	343.2	332.6	329.2	331.2	296.2	303.0	306.8	270.7	297.5

(a) Source - Lakeshore Technical College District Plan and Budget Reports - WTCS Staff Accounting Reports.
(b) All staff, including adjunct faculty, are included in the above FTE numbers.

LAKESHORE TECHNICAL COLLEGE DISTRICT

ENROLLMENT STATISTICS
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Student Enrollment (a)										
Associate degree	4,192	4,193	3,893	3,631	3,871	4,051	4,088	4,190	3,755	3,804
Vocational:										
Technical Diploma	933	899	957	891	909	784	829	864	938	1,083
Apprentices	223	204	209	243	243	190	198	219	229	260
Basic skills	1,281	1,088	915	883	920	625	927	939	963	1,040
Vocational adult	6,984	5,687	5,528	5,430	3,793	3,333	3,784	4,146	3,475	3,773
District service	153	125	111	176	45	29	14	21	0	0
Total Students (b)	12,447	11,025	10,550	10,348	8,901	8,251	8,947	9,412	8,464	8,749
Full-Time Equivalent (c)										
Associate degree	1,428	1,425	1,389	1,344	1,325	1,252	1,222	1,175	1,086	1,077
Vocational:										
Technical Diploma	217	217	218	184	192	156	148	131	132	161
Apprentices	40	39	42	43	43	36	34	39	42	46
Basic skills	199	184	166	147	158	131	151	145	115	118
Vocational adult	72	61	61	52	44	37	39	48	44	47
District service	1	1	0	1	0	0	0	0	0	0
Total	1,956	1,926	1,877	1,771	1,762	1,612	1,594	1,538	1,419	1,449
Graduate Follow-Up Statistics (d)										
Number of graduates	786	853	795	766	694	652	592	578	523	n/a
Responses										
Number	474	613	508	468	449	326	245	358	247	n/a
Percent of graduates	60%	72%	64%	61%	65%	50%	41%	62%	47%	n/a
Percent employed	92%	92%	92%	90%	92%	93%	94%	96%	94%	n/a
Percent in related field	67%	77%	70%	77%	75%	73%	70%	72%	89%	n/a
Percent employed in district	70%	75%	74%	79%	75%	74%	71%	67%	69%	n/a

Notes:
(a) Student enrollment by program represents the duplicated count of citizens enrolled in district courses.
(b) Total student enrollment is the unduplicated count of all students.
(c) A full-time equivalent (FTE) is basically equal to 30 annual student credits based on a mathemetical calculation which varies somewhat by program and which is subject to state aproval and audit of students and course data.
(d) Graduate follow-up statistics are based on the surveys of district graduates approximately six months after graduation, therefore current fiscal year data is not yet available.
(e) Sources - WTCS OLAP Cube, WTCS Graduate Outcomes Survey, Strategy Department.

LAKESHORE TECHNICAL COLLEGE DISTRICT

CAMPUS SITES – SQUARE FOOTAGE
June 30, 2025

The District's main campus is on a 154-acre site in Cleveland, Wisconsin. A detailed breakdown of space, along with the respective ages, is included below:

Cleveland Campus

Building		Date Constructed	Square Footage
Agriculture & Energy		1976	18,150
Addition		1983	17,014
	Total		35,164
Lakeshore		1974	121,044
Addition		1979	78,104
Addition		2011	12,400
Addition		2022	1,324
Addition		2024	8,286
	Total		221,158
Nierode		1974	63,893
Addition		1979	2,655
Addition		1982	1,631
Addition		2014	7,755
	Total		75,934
Public Safety		1988	6,280
Addition		1991	13,480
Addition		2005	10,550
Addition		2022	4,283
	Total		34,593
Plastics Engineering Manufacturing Building		1980	19,000
Addition		2013	14,658
	Total		33,658
Campus Facilities Building		2016	11,600
Addition		2021	6,913
	Total		18,513
Scenario City		2019	5,566
Burn Simulator Building		1997	2,712
Carpentry Lab		2017	1,200
Motorcycle Storage Garage		2009	3,080
Tactical Skills Lab		2006	1,475
Total Cleveland Campus			**433,053**
School of Agriculture		2017	6,200
Total (Cleveland Campus + School of Ag)			**439,253**

LAKESHORE TECHNICAL COLLEGE DISTRICT

CAMPUS SITES – SQUARE FOOTAGE (Continued)
June 30, 2025

Leased Facilities

Location	Lease Term	Square Footage
Lakeshore Sheboygan	2019-2026	8,910
Lakeshore UW Green Bay - Sheboygan	2025-2035	TBD
Lakeshore Manitowoc	2024-2029	10,240
School of Agriculture (Ground lease)	2017-2067	NA
Total Leased Properties		**19,150**

Grand Total Square Footage	**458,403**

LAKESHORE TECHNICAL COLLEGE DISTRICT

PROGRAM OFFERINGS
June 30, 2025

Associate Degree Programs

Accounting
Administrative Professional
Agribusiness Science & Technology
Broadcast Captioning
Business Management
Court Reporting
Criminal Justice – Law Enforcement 2
Culinary Arts
Dairy Business Management
Dental Hygienist *new 2026
Digital Marketing
Early Childhood Education
Electro-Mechanical Automation
Electro-Mechanical Maintenance
Fire Medic
Foundations of Teacher Education
Funeral Service (Incoming Shared) *new 2025
General Studies Transfer – AA
General Studies Transfer - AS
Graphic and Web Design
Health Information Management
Human Resources Administration
Individualized Technical Studies
IT – Cybersecurity Specialist
IT - Network Specialist
IT - Web & Software Developer
Legal Studies/Paralegal
Manufacturing Engineering
Manufacturing IT
Manufacturing Management
Mechanical Design & Engineering
Nursing
Paramedic Technician
Pharmacy Services Management
Quality Assurance Technician
Radiography
Supply Chain Management
Technical Studies – Journeyworker

Technical Diplomas

Accounting Assistant
Agriculture Technician
Auto Collision Repair & Refinish Technician
Automotive Maintenance Technician
Child Care Services
Criminal Justice – 720 Embedded Academy
CNC Automation Technician
Computer Aided Design (CAD) Technician
Culinary & Baking Basics
Culinary
Dairy Herd Management
Dental Assistant (Short Term)
Digital Marketing Specialist
Emergency Medical Technician – Paramedic
Emergency Medical Technician (Short Term)
Human Resources Assistant
HVAC & Building Trades Fundamentals
IT Web Development Specialist
Maintenance Mechanic
Medical Assistant
Medical Coder
Medication Assistant
Nursing Assistant
Office Assistant
Ophthalmic Medical Assistant
Pharmacy Technician
Post-Baccalaureate Legal Studies/Paralegal
Practical Nursing
Precision Machining Technology
Quality Process Improvement
Supply Chain Assistant
Welding Fabrication Technician
Welding

Apprenticeship Programs

Industrial Electrician
Machinist
Maintenance Mechanic/Millwright
Maintenance Technician
Tool and Die

SINGLE AUDIT SECTION

The Single Audit Act Amendments of 1996 mandates independent financial and compliance audits of the federal awards programs. The State of Wisconsin also stipulates that grantees who are required to have a federal single audit completed must include selected state award programs in the scope of the single audit. In addition to the required auditors' reports, the schedule of expenditures of federal and state awards and accompanying notes and schedule of findings and questioned costs are provided to support the requirements for compliance with Uniform Grant Guidance and State of Wisconsin Single Audit Guidelines. The schedules provide more detailed financial information related to grant activity and other revenue.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

District Board
Lakeshore Technical College District
Cleveland, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of the Lakeshore Technical College District, (the District or Lakeshore College) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 2, 2025. The financial statements of the Lakeshore College Foundation, a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the District.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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Report on Compliance and Other Matters

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

Purpose of This Report

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Milwaukee, Wisconsin
December 2, 2025

CliftonLarsonAllen LLP
CLAconnect.com

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

To the Board of Trustees
Lakeshore Technical College District
Cleveland, Wisconsin

Report on Compliance for Each Major Federal and Major State Program

Opinion on Each Major Federal and Major State Program

We have audited the District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and Wisconsin State Single Audit Guidelines that could have a direct and material effect on each of the Lakeshore Technical College District's major federal and major state programs for the year ended June 30, 2025. The Lakeshore Technical College District's major federal and major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Lakeshore Technical College District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and major state programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal and Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative* Requirements*, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the Wisconsin State Single Audit Guidelines. Our responsibilities under those standards, the Uniform Guidance and the Wisconsin State Single Audit Guidelines are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

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Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Lakeshore Technical College District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the Lakeshore Technical College District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Wisconsin State Single Audit Guidelines, but not for the purpose of expressing an opinion on the effectiveness of the Lakeshore Technical College District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

We have audited the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of the Lakeshore Technical College District (the District or Lakeshore College) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We have issued our report thereon, dated December 2, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and the State Single Audit Guidelines and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole



CliftonLarsonAllen LLP

Wauwatosa, Wisconsin
January 30, 2026

LAKESHORE TECHNICAL COLLEGE DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2025

Grantor Agency/Pass-through Agency/Program/Grant Title	Assistance Listing Number	Pass through Number/ Identification Number	Grant Period	Grant Amount	Federal Direct Revenue	Match	Total Expenditures	Passed through to Sub-Recipients
U.S. DEPARTMENT OF HOMELAND SECURITY								
FEMA Assistance to Firefighters Grant Program -- COVID 19 Supplemental	97.044	11-576-153-115	10/1/24 - 9/30/25	26,087	19,613	2,942	22,555	
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY				26,087	19,613	2,942	22,555	-
U.S. DEPARTMENT OF TRANSPORTATION								
Interagency Hazardous Materials Public Sector Training and Planning Grants								
Haz-Mat Interagency Hazardous Materials	20.703		7/1/24 - 6/30/25	3,400	3,400	-	3,400	-
TOTAL U.S. DEPARTMENT OF TRANSPORTATION				3,400	3,400	-	3,400	-
U.S. DEPARTMENT OF TREASURY								
COVID-19 American Rescue Plan Act Passed Through Workforce Innovation	21.027							
Lakeshore Industry 4.0 Pathways and Upskilling Project (551)		SLFRP0135	6/20/22 - 6/30/25	1,640,811	170,940	-	170,940	-
TOTAL U.S. DEPARTMENT OF TREASURY				1,640,811	170,940	-	170,940	-
NATIONAL SCIENCE FOUNDATION								
Education and Human Resources	47.076							
Developing Cybersecurity Technicians through Expanded Pathways in Rural and Underserved Communities (579)		FAIN 2201993	7/1/22 - 6/30/25	332,076	173,125	-	173,125	-
Expanding Advanced Renewable Energy Technician Education in a Technical College (580)		FAIN 2201630	7/1/22 - 10/31/25	336,650	99,395	-	99,395	-
Towards a Competency-Based High School Dual Credit Pathway for Advanced Manufacturing Technicians (581)		FAIN 2247297	6/1/23 - 5/31/26	649,910	178,270	-	178,270	-
TOTAL NATIONAL SCIENCE FOUNDATION				1,318,636	450,790	-	450,790	-
U.S. DEPARTMENT OF EDUCATION								
Passed Through Wisconsin Technical College System	84.002							
AEFL-Comprehensive (515)		11-515-146-125	7/1/24 - 6/30/25	231,807	229,523	366,881	596,404	-
Innovative IET (518)		11-518-146-185	7/1/24 - 6/30/25	19,068	16,068	5,359	21,427	-
Special Focus - Corrections (522)		11-522-146-115	7/1/24 - 6/30/25	45,400	45,400	15,134	60,534	-
Total Adult Education - Basic Grants to States				296,275	290,991	387,375	678,366	-

LAKESHORE TECHNICAL COLLEGE DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
For the fiscal year ended June 30, 2025

Grantor Agency/Pass-through Agency/Program/Grant Title	Assistance Listing Number	Pass through Number/ Identification Number	Grant Period	Grant Amount	Federal Direct Revenue	Match	Total Expenditures	Passed through to Sub-Recipients
Student Financial Assistance Cluster								
SEOG	84.007	P007A234506	7/1/24 - 6/30/25	79,966	79,573	-	79,573	-
Federal Work Study Program 24-25	84.033	P033A234506	7/1/24 - 6/30/25	69,434	40,491		40,491	
PELL	84.063	P063P233160	7/1/24- 6/30/25	3,199,729	3,199,729	-	3,199,729	-
Federal Direct Student Loans	84.268	P268K243160	7/1/24 - 6/30/25	1,494,075	1,494,075	-	1,494,075	-
Total *Student Financial Assistance Cluster*				4,843,204	4,813,869	-	4,813,868	-
Higher Education - Institutional Aid	84.031A							
Strengthening Institutions - Student Centered Project (YR5) (503)		P031A190111	10/1/19-9/30/24	426,360	91,503	-	91,503	-
Total *Higher Education - Institutional Aid*				426,360	91,503	-	91,503	-
TRIO Cluster								
Student Support Services Program	84.042A							
TRIO-Student Support Services (YR4) (592)		P042A200145	9/1/20 - 8/31/25	1,330,392	55,442		55,412	-
TRIO-Student Support Services (YR5) (592)		P042A200145	9/1/20 - 8/31/25	1,330,392	239,771		239,771	
Total TRIO				1,330,392	295,213	-	295,183	-
Career and Technical Education - Basic Grants to States	84.048A							
Passed through Wisconsin Technical College System								
Student Success (504)		11-504-150-235	7/1/24 - 6/30/25	243,192	239,130	168,938	408,068	-
Strengthening Programs (507)		11-507-150-255	7/1/24 - 6/30/25	104,752	101,546	-	101,546	-
Non-Traditional Occupations (509)		11-509-150-265	7/1/24 - 6/30/25	49,892	46,582	-	46,582	-
Capacity Building for Equity & Inclusion (513)		11-513-150-225	7/1/24 - 6/30/25	31,869	27,286	-	27,286	-
Career Prep (534)		11-534-150-215	7/1/24 - 6/30/25	47,901	45,135	-	45,135	-
Total Career and Technical Education - Basic Grants to States				477,606	459,679	168,938	628,617	-
Child Care Access Means Parents in School Project (CCAMPIS)	84.335A							
Year 4 (485)		P335A200008	10/1/20 - 9/30/24	138,000	20,211		20,211	
Total *CCAMPIS*				138,000	20,211	-	20,211	-
TOTAL U.S. DEPARTMENT OF EDUCATION				7,511,837	5,971,466	556,313	6,527,748	-

LAKESHORE TECHNICAL COLLEGE DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
For the fiscal year ended June 30, 2025

Grantor Agency/Pass-through Agency/Program/Grant Title	Assistance Listing Number	Pass through Number/ Identification Number	Grant Period	Grant Amount	Federal Direct Revenue	Match	Total Expenditures	Passed through to Sub-Recipients
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES								
NIEHS Hazardous Waste Worker Health and Safety Training	93.142							
Passed through University of Minnesota								
HazMat Worker Health and Safety Training Cooperative Agreement (575)		U45ES006184-33	6/1/24 - 5/31/25	155,560	144,512	-	144,512	
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				155,560	144,512	-	144,512	-
TOTAL EXPENDITURES OF FEDERAL AWARDS				$ 10,656,331	$ 6,760,720	$ 559,254	$ 7,319,944	$ -
Reconciliation of Federal Revenue								
Schedule of Expenditures of Federal Awards					6,760,720			
DEDUCT:								
Federal Direct Student Loans					1,494,075			
ADD:								
Financial Aid Administration (4959)					4,635			
Veterans Administration - Recording Fee					960			
						$ 5,272,240		
Other Federal Financial Assistance					3,510,346			
Federal grants					1,608,620			
Federal capital grants					153,273			
Basic Financial Statements						$ 5,272,240		

See Notes to the Schedule of Federal and State Awards.

LAKESHORE TECHNICAL COLLEGE DISTRICT

SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the fiscal year ended June 30, 2025

Grantor Agency/Pass-through Agency/Program/Grant Title	Catalog Number	Pass through Number/ Identification Number	Grant Period	Grant Amount	State Direct Revenue	Match	Total Expenditures	Passed through to Sub-Recipients
WISCONSIN DEPARTMENT OF TRANSPORTATION	20.395(4)(aq)							
Driver Education								
Motorcycle Safety Grant (537)		MCG-FY2025-LTC-00024	7/1/24 - 6/30/25	$ 18,329	$ 18,179	$ -	$ 18,179	-
TOTAL WISCONSIN DEPARTMENT OF TRANSPORTATION				18,329	18,179	-	18,179	-
WISCONSIN HIGHER EDUCATION AIDS BOARD								
Wisconsin Grant - Technical Colleges	235.102	N/A	7/1/24 - 6/30/25	709,270	709,270	-	709,270	-
Remission of Fees for Veterans and Dependents	235.105	N/A	7/1/24 - 6/30/25	92,279	92,279	-	92,279	-
Talent Incentive Program	235.114	N/A	7/1/24 - 6/30/25	43,883	43,883	-	43,883	-
Minority Grant	235.107	N/A	7/1/24 - 6/30/25	4,630	4,630	-	4,630	-
Nursing Student Loan (2114)	235.117	N/A	7/1/24 - 6/30/25	6,000	6,000	-	6,000	-
Technical Excellence Scholarship	235.119	N/A	7/1/24 - 6/30/25	24,753	24,753	24,747	24,753	-
Academic Excellence Scholarship		N/A	7/1/24 - 6/30/25	1,125	1,125	1,125	1,125	-
Wisconsin Indian Assistance Grant	235.132	N/A	7/1/24 - 6/30/25	1,650	1,650	-	1,650	-
TOTAL WISCONSIN HIGHER EDUCATION AIDS BOARD				883,590	883,590	25,872	883,590	-
WISCONSIN TECHNICAL COLLEGE SYSTEM BOARD								
WTCS Emergency Assistance Grant	292.104							
Student Emergency Fund (460)		11-460-104-114	7/1/23 - 6/30/24	9,637	1,145	-	1,145	-
Student Emergency Fund (560)		11-560-104-115	7/1/24 - 6/30/25	10,322	10,184	-	10,184	-
Total WTCS Emergency Assistance Grants				19,959	11,329	-	11,329	-
State Aid for Technical Colleges	292.105	N/A	7/1/24 - 6/30/25	2,791,580	2,791,580	-	2,791,580	-
Grants to District Boards	292.124							
Enrollment (412)		11-412-124-194	7/1/23 - 6/30/24	200,000	(1,953)	-	(1,953)	-
Foster Youth College Exploration Leadership Grant (414)		11-414-124-194	4/1/24 - 12/15/24	5,050	1,485	-	1,485	-
Career Pathways - IT Web & Software (505)		11-405-124-124	7/1/23 - 6/30/25	215,199	174,862	-	174,862	-
Career Pathways - Criminal Justice Academy (506)		11-506-124-125	7/1/24 - 6/30/26	203,602	19,981	-	19,981	-
Career Pathways - CBE Manufacturing Expansion (508)		11-408-124-124	7/1/23 - 6/30/25	259,989	78,947	-	78,947	-
Lakeshore IET Development and Expansion (510)		11-510-124-205	7/1/24 - 6/30/25	196,000	176,980	-	176,980	-
Adult Education English Language Learning (511)		11-511-124-195	7/1/24 - 6/30/25	114,540	60,135	-	60,135	-
Foster Youth Pathway Project (514)		11-514-124-195	7/1/24 - 6/30/25	4,830	2,101	-	2,101	-
Open Education Resources Adaption (517)		11-417-124-324	7/1/23 - 6/30/25	57,574	27,077	-	27,077	-
Professional Growth (519)		11-519-124-155	7/1/24 - 6/30/25	52,130	39,098	19,549	58,647	-
Completion (520)		11-520-124-165	7/1/24 - 6/30/25	225,000	219,068	73,022	292,091	-
WAAE Conference (521)		11-521-124-185	3/1/25 - 8/31/25	2,000	2,000	-	2,000	-
Core Industry - Business Management (524)		11-524-124-135	7/1/24 - 6/30/26	317,217	156,533	-	156,533	-
Developing Markets - Foundations of Teacher Education K-8 (527)		11-527-124-145	7/1/24 - 6/30/26	200,000	123,719	-	123,719	-
Oral Health Grant (530)		11-530-124-344	5/20/24 - 6/30/25	1,264,545	1,168,671	292,168	1,460,839	-
Manufacturing Month Project (540)		17-193-124-185	10/1/24 - 9/30/25	47,250	3,755	-	3,755	-
Pass through via Northwood Technical College								
Lakeshore Mechatronics Apprenticeship (558)		11-558-124-115	7/1/24 - 6/30/25	35,930	22,170	-	22,170	-
WAT Grant - Vollrath (552)		11-552-124-175	7/1/24 - 10/31/25	85,815	62,949	-	62,949	-
Total Grants to District Boards				3,486,671	2,337,578	384,739	2,722,317	-

LAKESHORE TECHNICAL COLLEGE DISTRICT

SCHEDULE OF EXPENDITURES OF STATE AWARDS (continued)
For the fiscal year ended June 30, 2025

Grantor Agency/Pass-through Agency/Program/Grant Title	Catalog Number	Pass through Number/ Identification Number	Grant Period	Grant Amount	State Direct Revenue	Match	Total Expenditures	Passed through to Sub-Recipients
Fire Fighter Training 2%	292.137	N/A	7/1/24 - 6/30/25	24,669	24,669		24,669	-
Property Tax Relief Aid	292.162	N/A	7/1/24 - 6/30/25	13,135,890	13,135,890	-	13,135,890	-
TOTAL WISCONSIN TECHNICAL COLLEGE SYSTEM BOARD				19,458,769	18,301,045	384,739	18,685,785	-
WISCONSIN DEPARTMENT OF NATURAL RESOURCES								
State Aid in Lieu of Property Taxes	370.503	N/A	7/1/24 - 6/30/25	12,780	12,780	-	12,780	-
TOTAL WISCONSIN DEPARTMENT OF NATURAL RESOURCES				12,780	12,780	-	12,780	-
WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT								
Wisconsin Fast Forward								
TCS10 Leadership (512)		11-512-181-335	7/1/24 - 6/30/25	46,000	44,960	-	44,960	
TOTAL WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT				46,000	44,960	-	44,960	-
WISCONSIN DEPARTMENT OF REVENUE								
State Aid-Personal Property Tax	835.103	N/A	7/1/24 - 6/30/25	254,547	254,547	-	254,547	-
State Aid - Computers	835.109	N/A	7/1/24 - 6/30/25	79,634	79,634	-	79,634	-
TOTAL WISCONSIN DEPARTMENT OF REVENUE				334,181	334,181	-	334,181	-
TOTAL EXPENDITURES OF STATE AWARDS				20,753,650	19,594,736	410,611	19,979,476	-
Reconciliation of State Revenue								
Schedule of Expenditures of State Awards					19,594,736			
ADD:								
Total Revenue from Prior Year's Projects					-			
DEDUCT:								
Wisconsin Grant - Technical Colleges					709,270			
Talent Incentive Program					43,883			
Minority Grant					4,630			
Nursing Student Loan					6,000			
Academic Excellence Scholarship					1,125			
Wisconsin Indian Assistance Grant					1,650			
						18,828,178		
State Operating Appropriations					16,299,184			
State Grants					1,409,695			
State Capital Grants					1,119,299			
Basic Financial Statements						18,828,178		

See Notes to the Schedule of Federal and State Awards.

LAKESHORE TECHNICAL COLLEGE DISTRICT

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the fiscal years ended June 30, 2025

Note 1 – Basis of Presentation

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

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

Note 2 – Significant Accounting Policies

Revenues and expenditures in the schedule are presented in accordance with the accrual basis of accounting and are in agreement with amounts reported in the District's basic financial statements. Expenditures are recognized following the cost principles contained in the Uniform guidance and *State Single Audit Guidelines*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Accrued revenue at year-end includes federal and state program expenditures scheduled for reimbursement to the District in the succeeding year. Match represents District contributions to federal and state programs.

Note 3 – Oversight Agencies

The U.S. Department of Education is the federal oversight agency for the District. The Wisconsin Technical College System Board is the state oversight agency for the District.

Note 4 – Indirect Cost Rate

The District has an approved indirect cost rate approved by the Department of Health and Human Services that is in effect until June 30, 2027. The District is not eligible to charge the de minimis indirect rate of 10% of modified total direct costs on the grants.

Lakeshore Technical College District
Cleveland, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

SECTION I - SUMMARY OF AUDITORS' RESULTS

BASIC FINANCIAL STATEMENTS

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

FEDERAL AND STATE AWARDS

Internal control over major program:	
▶ Material weakness(es) identified?	No
▶ Significant deficiency(ies) identified?	No
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Any audit findings disclosed that are required to be reported in accordance with the *State Single Audit Guidelines*?	No

Identification of major federal programs:

CFDA Number	Name of Federal Program/Cluster
	Student Financial Assistance Cluster:
84.007	Supplemental Educational Opportunity Grants
84.033	Federal Work Study Program
84.063	Federal Pell Grant
84.268	Federal Direct Student Loans

Identification of major state programs:

State ID Number	Name of State Program/Cluster
292.162	Property Tax Relief Aid

SECTION I - SUMMARY OF AUDITORS' RESULTS (CONTINUED)

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

Federal Awards	$750,000
State Awards	$250,000
Auditee qualified as low-risk auditee	Yes

Lakeshore Technical College District
Cleveland, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

SECTION II - FINANCIAL STATEMENT FINDINGS

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards* for the year ended June 30, 2025.

SECTION III - FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a) or the Wisconsin *State Single Audit Guidelines* for the year ended June 30, 2025.

SECTION IV - OTHER ISSUES

1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? No

2. Does the audit report show audit issues (i.e. material non-compliance, non-material non-compliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

Wisconsin Department of Transportation	No
Wisconsin Higher Education Aids Board	No
Wisconsin Technical College System Board	No
Wisconsin Department of Natural Resources	No
Wisconsin Department of Workforce Development	No
Wisconsin Department of Revenue	No

3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? No

4. Name and signature of partner

Jake Lenell, CPA

Date of report January 30, 2026

LAKESHORE COLLEGE

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